

UNITED STATES
DEPARTMENT OF THE INTERIOR
NATIONAL PARK SERVICE

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Del Webb Recreational Properties, Inc.

Glen Canyon National Recreational Area

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CONTRACT NUMBER CC-GLCA002-88 EXECUTED December 8, 1988.

COVERING THE PERIOD

January 1, 1988 Through December 31, 2007

CONCESSION CONTRACT

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THIS CONTRACT made and entered into by and between the United States of America, acting in this matter by the Secretary of the Interior, through the Director of the National Park Service, hereinafter referred to as the "Secretary," and Del Webb Recreational Properties, Inc., a corporation organized and existing under the laws of the State of Arizona, doing business as Bullfrog Marina, Incorporated, Halls Crossing Resort and Marina, Incorporated, and Hite Resort and Marina, Incorporated, hereinafter referred to as the "Concessioner":

W I T N E S S E T H:

THAT WHEREAS, Glen Canyon National Recreation Area (hereinafter referred to as the "Area") is administered by the Secretary to provide for public outdoor recreation use and enjoyment of Lake Powell and adjacent lands and to preserve the scenic, scientific, and historic features contributing to that enjoyment; and

WHEREAS, the accomplishment of these purposes requires that facilities and services be provided for the public visiting the area and that all private interest shall be excluded except so far as may be necessary for the accomplishment of said purposes, including accommodation of the public; and

WHEREAS, the United States has not itself provided such necessary facilities and services and desires the Concessioner to establish and operate the same at reasonable rates under the supervision and regulation of the Secretary; and

WHEREAS, the establishment and maintenance of such facilities and services involves a substantial investment of capital and the assumption of the risk of operating loss, it is therefore proper, in consideration of the obligations assumed hereunder and as an inducement to capital, that the Concessioner be given assurance of security of such investment and of a reasonable opportunity to make a profit; and

WHEREAS, pursuant to law the Secretary is required to exercise his authority hereunder in a manner consistent with a reasonable opportunity by the Concessioner to realize a profit on the operations conducted hereunder as a whole commensurate with the capital invested and the obligations assumed:

NOW THEREFORE, pursuant to the authority contained in the Acts of August 25, 1916 (39 Stat. 535; 16 U.S.C. 1, 2-4), and October 9, 1965 (79 Stat. 969; 16 U.S.C. 20), and other laws supplemental thereto and amendatory thereof, the said parties agree as follows:

SEC. 1. TERM OF CONTRACT. (a) This contract shall supersede and cancel Contracts No. NPS-WASO-IX-66-2 for Bullfrog Marina, Inc., 9900C20106 for Halls Crossing Resort & Marina, Inc., and CC 1440-2-0001 for Hite Resort & Marina, Inc., effective upon the close of business December 31, 1987, and shall be for the term of twenty (20) years from January 1, 1988 through December 31, 2007.

(b) The Concessioner shall undertake and complete an improvement and building program costing not less than \$30,000,000 as adjusted per project to reflect par value in the year of actual construction in accordance with the appropriate indexes of the Department of Commerce's "Construction Review".

It is agreed that such investment is consistent with Section 4(a) hereof. The Concessioner is authorized to undertake a development program as generally described in the Bullfrog Development Concept Plan, the Halls Crossing Development Concept Plan, and the Hite Development Concept Plan. The Concessioner shall implement the development program in accordance with the Phased Development Schedule set forth in Exhibit "A" to this contract.

(c) The Concessioner shall start the improvement and building program when directed by the Secretary in such a manner as to demonstrate to the satisfaction of the Secretary that it is in good faith carrying said program forward reasonably under the circumstances. After approval of plans and specifications, the Concessioner shall provide the Secretary with such evidence or documentation, as may be satisfactory to the Secretary, to demonstrate that such program is being carried forward, and shall complete and have it available for public use in accordance with the Phased Development Schedule, Exhibit "A".

(d) The Concessioner may, in the discretion of the Secretary, be relieved in whole or in part of any or all of the obligations of the improvement program for such stated periods as the Secretary may deem proper upon written application by the Concessioner showing circumstances beyond its control warranting such relief.

SEC. 2. ACCOMMODATIONS, FACILITIES AND SERVICES. (a) The Secretary requires and hereby authorizes the Concessioner during the term of this contract to provide the following accommodations, facilities, and services for the public within Glen Canyon National Recreation Area. The Concessioner shall hold a preferential right to these services pursuant to Section 2(d).

BULLFROG BASIN:

- Overnight Lodging Accommodations up to 150 lodge units and 30 housekeeping units.
- Food and Beverage Service.
- Boat Slip Rentals up to 400 berths.

- Mooring Buoy Rentals up to 210 buoys.
- Dry Boat Storage up to 1000 units including boat launch and retrieval.
- Boat Repair Facilities.
- Boat Repair Yard for use by the public.
- Houseboat Rentals up to 150 houseboats.
- Small Boat Rentals (less than 26 ft) for up to 150 boats.
- Interpretive and Scenic Boat Tours.
- Automobile Service Station including vehicle repair services and automobile towing originating and terminating within the area of preferential right.
- Recreational Vehicle Campground with utility hookups up to 150 sites.
- Public Laundry and Shower Facility.
- Grocery, Gift, and Merchandise Sales.
- Boat Accessory and Parts Sales.
- Marina Fuel Facilities.
- Boat Towing and Chase Boats.
- Overnight Boat Charters.
- Public Campgrounds under such conditions as may be prescribed by the Secretary.
- Land Transportation and Shuttle Services originating and terminating within the area of preferential right.

HALLS CROSSING:

- Automobile and Passenger Ferry Service between Halls Crossing and Bullfrog Basin.
- Overnight Lodging Accommodations up to 150 lodging units and 20 housekeeping units.
- Food and Beverage Service.
- Boat Slip Rentals up to 240 berths.

- Mooring Buoy Rentals up to 150 buoys.
- Dry Boat Storage up to 1000 units including boat launch and retrieval.
- Boat Repair Facilities.
- Boat Repair Yard for use by the public.
- Houseboat Rentals up to 140 houseboats.
- Small Boat Rentals (less than 26 ft) for up to 140 boats.
- Interpretive and Scenic Boat Tours.
- Automobile Service Station including vehicle repair services and automobile towing originating and terminating within the area of preferential right.
- Recreational Vehicle Campground with utility hookups up to 150 sites.
- Public Laundry and Shower Facilities.
- Grocery, Gift, and Merchandise Sales.
- Boat Accessory and Parts Sales.
- Marina Fuel Facilities.
- Boat Towing and Chase Boats.
- Overnight Boat Charters.
- Public Campgrounds under such conditions as may be prescribed by the Secretary.
- Land Transportation and Shuttle services originating and terminating within the area of preferential right.

HITE:

- Overnight Lodging Accommodations up to 15 housekeeping units.
- Food and Beverage Service in the manner of a snack bar.
- Boat Slip Rentals up to 40 berths.
- Mooring Buoy Rentals up to 54 buoys.
- Dry Boat Storage up to 160 units including boat launch and

retrieval.

- Boat Repair Facilities.
- Boat Repair Yard for use by the public.
- Houseboat Rentals up to 40 houseboats.
- Small Boat Rentals (less than 26 ft) for up to 40 boats.
- Interpretive and Scenic Boat Tours.
- Automobile Service Station.
- Recreational Vehicle Campground with utility hookups up to 25 sites.
- Public Laundry and Shower Facility.
- Grocery, Gift, and Merchandise Sales.
- Boat Accessory and Parts Sales.
- Marina Fuel Facilities.
- Boat Towing and Chase Boat.
- Overnight Boat Charters.
- River Runner Pickup Service except that N.P.S permitted commercial river runner outfitters may provide their own pickup service.
- Land Transportation and Shuttle services originating and terminating within the area of preferential right.

The Concessioner may provide services incidental to the operations authorized above at the request of the Secretary.

(b) The Secretary further authorizes, but does not require, the following accommodations, facilities, and services. The Concessioner will not hold a preferential right to these services pursuant to Section 2(d):

BULLFROG:

- Incidental Boat Repair not requiring facilities, including hull and structural repair if performed in an authorized location.
- Boat Launch and Retrieval originating or terminating outside the area of preferential right.
- Marine Salvage outside the designated anchorage area.

- Fishing Guide Services.
- Boat Cleaning and Caretaking Services for boats in authorized storage facilities, including painting, waxing, and other "detail" work.
- Boat Sewage Pumpout Stations.

HALLS CROSSING:

- Incidental Boat Repair not requiring facilities including hull and structural repair if performed in an authorized location.
- Boat Launch and Retrieval originating or terminating outside the area of preferential right.
- Marine Salvage outside the designated anchorage area.
- Fishing Guide Services.
- Boat Cleaning and Caretaking Services for boats in authorized storage facilities, including painting, waxing, and other "detail" work.
- Boat Sewage Pumpout Stations.

HITE:

- Incidental Boat Repair not requiring facilities including hull and structural repair if performed in an authorized location.
- Boat Launch and Retrieval originating or terminating outside the area of preferential right.
- Marine Salvage outside the designated anchorage area.
- Fishing Guide Services.
- Boat Cleaning and Caretaking Services for boats in authorized storage facilities, including painting, waxing, and other "detail" work.
- Boat Sewage Pumpout Stations.

(c) The Secretary reserves the right to determine and control the nature, type and quality of the merchandise and services described herein as authorized and required to be sold or furnished by the Concessioner within the Area. Operations under this contract and the administration thereof by the Secretary shall be subject to the laws of Congress governing the Area and the rules, regulations, and policies promulgated thereunder, whether now in force or hereafter enacted or promulgated, including but not limited to the United States Public Health Service requirements. Concessioners must also comply with current applicable criteria promulgated

by the United States Department of Labor's Occupational Safety and Health Act of 1970 (OSHA) and those provisions outlined in the National Park Service's Safety and Occupational Health Policy associated with visitor safety and health.

(d) During the term hereof and subject to satisfactory performance hereunder, the Concessioner is granted a right of first refusal to provide such additional concession accommodations, facilities and services of the same character as required and authorized hereunder as the Secretary may designate as necessary or desirable for accommodation and convenience of the public within the Bullfrog Basin, Halls Crossing, and Hite Developed Areas as delineated on Exhibit "B". If the Concessioner doubts the necessity, desirability, timeliness, reasonableness, or practicability of such new or additional facilities, accommodations or services and/or declines or fails within a reasonable time to comply with the designation of the Secretary, then the Secretary in his discretion may authorize others under substantially the same terms and conditions to provide such designated accommodations, facilities, or services. This right of first refusal does not apply to concession operations in connection with lands hereafter acquired which expand the existing boundary of the area. Nothing contained in this section or elsewhere in this contract shall be construed as prohibiting or curtailing operations conducted in the area by other concessioners now authorized by the Secretary to provide accommodations therein for the public, including the successors or assigns of such concessioners, when approved by the Secretary.

SEC. 3. INFRASTRUCTURE DEVELOPMENT PROGRAM (a) The Concessioner shall undertake the design, construction and rehabilitation of selected infrastructure and improvements which directly support concession activities. Funds shall be provided from an account created for this purpose called the "Set-Aside Account". Improvements constructed under this program are neither "Government Improvements" nor "Concessioner Improvements" as defined by Sections 5 and 7 of this contract, respectively.

(b) The Set-Aside Account will be established by the Concessioner as an interest bearing account in a federally insured financial institution. The funds in the Set-Aside Account (the "Funds") may be managed by the Concessioner to maximize interest so long as the Funds are kept separately and secure from other Concessioner's funds. The Concessioner agrees to collect and deposit in the Set-Aside Account by the tenth day of each month five percent (5%) of the monthly gross operating revenues calculated according to a pre-determined formula as follows. Gross operating revenues will be determined by Section 10 (d) (1) hereof.

Formula for Calculation of
Monthly Transfer to Construction
Set-Aside Account

1. Amount to be Transferred Due to Set-Aside Rate Increase

$$(A - B) / (1 + C) = D$$

$$\text{Then } (A - B) - D = E$$

2. Amount to be Transferred Due to Concessioner Contribution

$$(A - B - E) \times .005 = F$$

A = Monthly Revenue

B = Monthly Bad Debt Write-Offs

C = Percentage Rate Increase Due to Set-Aside

D = Adjusted Revenue

E = Amount To Be Transferred

F = Concessioner Contribution

(c) Construction or rehabilitation projects will be developed by the Secretary after consultation with the Concessioner. The status of such projects and funding thereafter will be reviewed at least annually by the Secretary and the Concessioner.

The Concessioner agrees that expenditures from the Set-Aside Account will be for projects within Glen Canyon National Recreation Area (the "Project") which will be described and authorized in writing by the Secretary. Once written authorization for a project has been given, individual invoices for work on the projects submitted to the Concessioner may be paid without further written authorization.

(d) The Secretary shall authorize the construction and rehabilitation of infrastructure and improvements under this program by means of Special Use Permits. The Secretary shall charge the Concessioner for unprogrammed expenses incurred as a result of the permitted activity and not so as to exceed five percent (5%) of total Set-Aside Account expenditures. The Concessioner may draw against the Set-Aside Account as authorized to pay these expenses.

(e) Design, architectural, and engineering contracts will be approved by the Secretary and expensed against the Set-Aside account. Overhead expenses incurred by the Concessioner on projects may be charged not to exceed ten percent (10%) of total Set-Aside Account expenditures. The Concessioner may draw against the Set-Aside Account as authorized to pay design and overhead expenses.

(f) The Concessioner may advance funds beyond those accumulated in the Set-Aside Account for the construction of specifically authorized projects. In this event, the Concessioner is authorized to draw against Set-Aside Funds to repay the principal amount of Concessioner's funds so advanced.

(g) The Concessioner shall not acquire a possessory interest in improvements constructed pursuant to this Section or otherwise obtain any compensable interest in such improvements. In the event it is determined under law that the Concessioner does acquire a possessory interest in such improvements, just compensation is hereby agreed by the parties to be zero (0) dollars.

(h) The Concessioner agrees to maintain such records and reports as necessary to account for transactions of the Set-Aside Account. The account will be subject to audit pursuant to the concession contract.

(i) Unless specifically directed otherwise by the Secretary of Interior, the Director of the National Park Service and the Concessioner agree that no changes will be made to the provisions of this Section for the first five years it is in effect. After the first five years either party may propose to renegotiate these provisions. Should significant differences remain after a reasonable period of time, and good faith efforts by both parties fail to resolve those differences, then the respective obligations of the parties under this Section may be terminated by the Secretary by giving ninety (90) days written notice. Such termination will become effective so that projects funded from the Set-Aside Account are completed and the Set-Aside Account is left with a balance of zero (0) dollars. Should there be insufficient funds in the Set-Aside Account at termination to repay the Concessioner for advances made pursuant to Subsection 3(f), the Concessioner will continue to collect Set-Aside Funds to repay the principle amount of funds advanced.

SEC. 4. PLANT, PERSONNEL, AND RATES. (a)(1) The Concessioner shall maintain and operate the said accommodations, facilities, and services to such extent and in such manner as the Secretary may deem satisfactory, and shall provide the plant, personnel, equipment, goods, and commodities necessary therefore provided that the Concessioner shall not be required to make investments inconsistent with a reasonable opportunity to realize a profit on its operations hereunder commensurate with the capital invested and the obligations assumed.

(2) All rates and prices charged to the public by the Concessioner for accommodations, services, or goods furnished or sold hereunder shall be subject to regulation and approval by the Secretary. The Secretary shall exercise his decision making authority with respect to the Concessioner's rates and prices in a manner consistent with a

reasonable opportunity for the Concessioner to realize a profit on its operations hereunder as a whole commensurate with the capital invested and the obligations assumed. Reasonableness of rates and prices will be judged primarily by comparison with those currently charged for comparable accommodations, services, or goods furnished or sold outside of the areas administered by the National Park Service under similar conditions, with due allowance for length of season, provision for peak loads, average percentage of occupancy, accessibility, availability and cost of labor and materials, type of patronage, and other conditions customarily considered in determining charges, but due regard may also be given to such other factors as the Secretary may deem significant.

The Secretary recognizes that the Infrastructure Development Program described in Section 3 is a cost to the Concessioner and offers the public generally improved service. Thus, the Infrastructure Development Program is a significant factor relating to rates and charges to the public for the Concessioner's accommodations, facilities, and services, and will be recognized in the approval by the Secretary of the Concessioner's Schedule of Rates.

(3) The Concessioner shall require its employees to observe a strict impartiality as to rates and services in all circumstances. The Concessioner may, subject to the prior approval of the Secretary, grant complementary or reduced rates under such circumstances as are customary in businesses of the character conducted hereunder. The Concessioner will provide Federal employees conducting official business reduced rates for lodging, essential transportation and other specified services in accordance with procedures established by the Secretary.

(b)(1) The Concessioner may be required to have its employees who come in direct contact with the public, so far as practicable, wear a uniform or badge by which they may be known and distinguished as the employees of the Concessioner. The Concessioner shall require its employees to exercise courtesy and consideration in their relations with the public.

(2) The Concessioner shall review the conduct of any of its employees whose action or activities are considered by the Concessioner or the Secretary to be inconsistent with the proper administration of the area and enjoyment and protection of visitors and shall take such actions as are necessary to fully correct the situation.

(3) The Concessioner shall comply with the requirements of (a) Title VII of the Civil Rights Act of 1964, as well as Executive Order No. 11246 of September 24, 1965, as amended by Executive Order No. 11375 of October 13, 1967, (b) Title V, Section 503 and 504 of the Rehabilitation Act of September 26, 1973, P.L. 93-112 as amended in 1978, (c) 41 CFR, Part 60-2 which prescribes affirmative action requirements for contractors and subcontractors, (d) the Age Discrimination in Employment Act of December 15, 1967 (P.L. 90-202, as amended by P.L. 95-256 of April 6, 1978, and (e) the Architectural Barriers Act of 1968 (P.L. 90-480 which require Government Contractors and Subcontractors to take

affirmative action to employ and to advance in employment qualified handicapped individuals and to make facilities accessible to or usable by handicapped persons so that they will not be denied the benefits of, be excluded from participation in, or otherwise be subjected to discrimination under any program or activity receiving Federal financial assistance or under any program or activity conducted by an Executive agency or by the United States Postal Service. The Concessioner shall also comply with regulations heretofore or hereafter promulgated, relating to nondiscrimination in employment and in providing accessible facilities and services to the public and shall do nothing in advertising for employees which will prevent those covered by these laws from qualifying for such employment which will prevent those covered by these laws from qualifying for such employment and use of their facilities. Regulations heretofore promulgated are set forth in Exhibit "C" attached hereto and made a part hereof.

SEC. 5. GOVERNMENT LAND AND IMPROVEMENTS. (a) The Secretary hereby assigns for use by the Concessioner during the term of this contract, certain parcels of land and Government Improvements, if any, as described in Exhibit "D" hereto necessary to conduct the operations authorized hereunder. The Secretary reserves the right to withdraw such assignments or parts thereof at any time during the term of this contract if, in his judgment, (1) such withdrawal is necessary for the purpose of protecting visitors or area resources, or, (2) the operations utilizing such assigned lands are terminated pursuant to Section 12 hereof. Any permanent withdrawal of assigned lands or improvements which are essential for conducting the operation authorized hereunder will be considered by the Secretary as a termination pursuant to Section 12 hereof. The Secretary shall compensate the Concessioner for any possessory interest in such withdrawn properties at book value as described in Section 13 hereof, or, in the event that Concessioner Improvements in which the Concessioner has a possessory interest are to be replaced by the Concessioner within the area, in accordance with fair value compensation for possessory interest described in subsection 13(b) hereof.

(b) "Government Improvements" as used herein, means the buildings, structures, utility systems, fixtures, equipment, and other improvements upon the lands assigned hereunder, if any, constructed or acquired by the Government and provided by the Government for the purpose of this contract. The Concessioner shall have a possessory interest in improvements it makes to Government Improvements except for those improvements made pursuant to Section 3(c), hereof. In the event that such possessory interest is acquired by the Government or a successor concessioner at any time the Concessioner will be compensated for such possessory interest pursuant to Section 13 hereof.

(c) The Secretary shall have the right at any time to enter upon the lands and improvements utilized by the Concessioner hereunder for any purpose he may deem reasonably necessary for the administration of the area and the Government services therein.

(d) The Concessioner may construct or install upon the assigned lands such buildings, structures, and other improvements as are necessary for the operations required hereunder, subject to the prior written approval by the Secretary of the location, plans, and specifications thereof. The Secretary may prescribe the form and contents of the application for such approval. The desirability of any project as well as the location, plans and specifications thereof will be reviewed in accordance with the provisions of the National Environmental Policy Act of 1969 and the National Historic Preservation Act of 1966.

(e) If during the term hereof a Government Improvement requires repairs or improvements that serve to prolong the life of the Government Improvement to an extent requiring capital investment for major repair, such capital investment shall be borne by the Concessioner. Such expenditures shall be consistent with a reasonable opportunity for the Concessioner to realize a profit on its operations. Where capital improvements to Government acquired or constructed facilities supporting the concession operation, including roads, parking and utility systems, are determined by the Secretary to be necessary and economically feasible for the accommodation of park visitors they shall be made by the Concessioner. If the Secretary determines that the required improvements are necessary but economically infeasible for the Concessioner, such improvements may be made by the National Park Service subject to the availability of appropriated funds.

SEC. 6. MAINTENANCE. Subject to Section 5(e) hereof, the Concessioner will physically maintain and repair all facilities used in the operation hereunder, including maintenance of assigned lands and all necessary housekeeping activities associated with the operation to the satisfaction of the Secretary. In order that a high standard of physical appearance, operations, repair and maintenance be maintained, appropriate inspections will be carried out jointly by the Secretary and the Concessioner.

SEC. 7. CONCESSIONER'S IMPROVEMENTS. (a) "Concessioner's Improvements," as used herein, means buildings, structures, fixtures, equipment, and other improvements, affixed to or resting upon the lands assigned hereunder in such manner as to be a part of the realty, provided by the Concessioner for the purposes of this contract, (excluding improvements made to Government Improvements by the Concessioner), as follows: (1) such improvements upon the lands assigned at the date hereof as described in Exhibit "E" hereto; and (2) all such improvements hereafter constructed upon or affixed to the lands assigned to the Concessioner with the written consent of the Secretary. Concessioner's Improvements do not include any interest in the land upon which the described structures are located.

(b) The Concessioner shall have a possessory interest in all Concessioner's Improvements recognized by this contract. Possessory Interest shall consist of all incidents of ownership, except legal title

which shall be vested in the United States. However, such possessory interest shall not be construed to include or imply any authority, privilege, or right to operate or engage in any business or other activity and the use or enjoyment of any structure, fixture, or improvement in which the Concessioner has a possessory interest shall be wholly subject to the applicable provisions of this contract and to the laws and regulations relating to the area. The said possessory interest shall not be extinguished by the expiration or other termination of this contract, and may not be terminated or taken for public use without just compensation as determined in accordance with Section 13. Wherever used in this contract, "possessory interest" shall mean the interest described in this paragraph. Performance of the obligations assumed by the Secretary under Section 13 hereof shall constitute just compensation with respect to the taking of a possessory interest in the circumstances therein described.

(c) Any salvage resulting from the authorized removal, severance, or demolition of a Concessioner's Improvement or any part thereof shall be the property of the Concessioner.

(d) In the event that a Concessioner's Improvement is removed, abandoned, demolished, or substantially destroyed and no other improvement is constructed on the site, the Concessioner shall promptly upon the request of the Secretary, restore the site as nearly as practicable to a natural condition.

SEC. 8. UTILITIES. (a) The Secretary shall furnish utilities to the Concessioner, for use in connection with the operations authorized hereunder, when available, at reasonable rates to be fixed by the Secretary, in his discretion, and which shall at least equal the actual cost of providing the utility or service unless a reduced rate is provided for in an established policy of the Secretary in effect at the time of billing.

(b) Should any such service not be available or sufficient, the Concessioner may, with the written approval of the Secretary and under such requirements as shall be prescribed by him, secure the same at its own expense from sources outside the area or may install the same within the area subject to the following conditions:

(1) Any water rights deemed necessary by the Concessioner for use of water on Federal lands shall be acquired at its expense in accordance with any applicable state procedure and state law. Such water rights, upon expiration or termination of this contract for any reason shall be assigned to and become the property of the United States without compensation.

(2) Any service provided by the Concessioner under this section shall, if requested by the Secretary, be furnished to the Government to such an extent as will not unreasonably restrict anticipated use by the Concessioner. The rate per unit charged the Government for such service shall be approximately the average cost per unit of providing such service.

(3) All appliances, and machinery to be used in connection with the privileges granted in this section, as well as the plans for location and installation of such appliances and machinery shall first be approved by the Secretary.

SEC. 9. ACCOUNTING RECORDS AND REPORTS. (a) The Concessioner shall maintain an accounting system whereby the accounts can be readily identified with the System of Account Classification prescribed by the Secretary. The Concessioner shall submit annually as soon as possible but not later than ninety (90) days after the 31st of December a financial statement for the preceding year as prescribed by the Secretary, and such other reports and data as may be required by the Secretary. If annual gross receipts are in excess of \$1 million, the financial statements shall be audited by an independent certified public accountant or by an independent licensed public accountant certified or licensed by a regulatory authority of a state or other political subdivision of the United States on or before December 31, 1970, in accordance with the auditing standards and procedures promulgated by the American Institute of Certified Public Accountants. If annual gross receipts are between \$250,000 and \$1 million, the financial statements shall be reviewed by an independent certified public accountant or by a licensed public accountant certified or licensed by a regulatory authority of a state or other political subdivision of the United States on or before December 31, 1970, in accordance with the auditing standards and procedures promulgated by the American Institute of Certified Public Accountants.

Financial statements accompanied by remarks such as "prepared from client records without audit" are unacceptable.

The independent licensed or certified public accountant shall include a statement to the effect that the amounts included in the financial report are consistent to those included in the Federal and state tax returns. If they are not, then a statement showing differences shall be included. The Secretary shall have the right to verify and copy for his own use all such reports from the books, correspondence, memoranda, and other records of the Concessioner and subconcessioners, if any, and of the records pertaining thereto of a proprietary or affiliated company, if any, during the period of the contract, and for such time thereafter as may be necessary to accomplish such verification.

(b) The Secretary and Comptroller General of the United States, or any of their duly authorized representatives, shall, until the expiration of five (5) calendar years after the close of business year of the Concessioner and any subconcessioner have access to and the right to

examine any of the pertinent books, documents, papers, and records related to this contract including Federal, and state income tax returns.

SEC. 10. FRANCHISE FEE. (a) For the term of this contract, the Concessioner shall pay to the Secretary for the privileges granted herein as follows:

(1) An annual fee for the use of any Government Improvements utilized by the Concessioner hereunder, if any. Such fee and assigned Government buildings to be as set forth in Exhibit "D" hereto but in no event shall the fee exceed the fair annual value of such Government Improvements as determined by the Secretary.

(2) In addition to the foregoing, a further sum equal to two percent (2%) of the Concessioner's gross receipts, as herein defined, for the preceding year. In the event that the Secretary terminates the Infrastructure Development Program established by Section 3, the percentage franchise fee may be immediately reconsidered under the provisions of Section 10(e) and become effective from the date of such termination.

(b) The franchise fee shall be due on a monthly basis in a manner that payment shall be received by the Secretary within 15 days after the last day of each month that the concessioner operates. Such monthly payment shall include the annual use fee for assigned Government Improvements, as set forth in Exhibit "D" hereto, divided by the expected number of operating months, as well as the specified percentage of gross receipts for the preceding month. The payment of any additional amounts due at the end of the operating year as a result of adjustments shall be paid at the time of submission of the annual financial report. Overpayments shall be offset against the following year's franchise fees due. All franchise fee payments consisting of \$10,000 or more, shall be deposited electronically by the Concessioner using the Treasury Financial Communications System.

(c) An interest charge will be assessed on overdue amounts for each 30 day period, or portion thereof, that payment is delayed. The percent of interest charged will be based on the current value of funds to the United States Treasury which is published quarterly in the Treasury Fiscal Requirements Manual.

(d)(1) The term "gross receipts," as used herein, shall be construed to mean the total amount received or realized by, or accruing to, the Concessioner from all sales, including those through vending machines and other coin-operated devices, for cash or credit, of services, accommodations, materials, and other merchandise made pursuant to the rights granted in this contract, including gross receipts of subconcessioners as hereinafter defined and commissions earned on contracts or agreements with other persons or companies operating in the area, and excluding gross receipts from the sale of genuine United States Indian and native handicraft, Set-Aside Account payments, intracompany earnings on

account of charges to other departments of the operation (such as laundry), Charges for employees' meals, lodgings, and transportation cash discounts on purchases, cash discounts on sales, returned sales and allowances, interest on money loaned or in bank accounts, income from investments, income from subsidiary companies outside of the area, sale of property other than that purchased in the regular course of business for the purpose of resale, and sales and excise taxes that are added as separate charges to approved sales prices, gasoline taxes, fishing license fees, and postage stamps, provided that the amount excluded shall not exceed the amount actually due or paid Governmental agencies.

(2) The term "gross receipts of subconcessioners" as used in subsection (d)(1) of this section shall be construed to mean the total amount received or realized by, or accruing to, subconcessioners from all sources, including that through vending machines or other coin-operated devices, as a result of the exercise of the rights conferred by subconcession contracts hereunder without allowances, exclusions, or deductions of any kind or nature whatsoever and the subconcessioner shall report the full amount of all such receipts to the Concessioner within 45 days after the 31st day of December of each year. The subconcessioners shall maintain an accurate and complete record of all items listed in subsection (d)(1) of this section as exclusions from the Concessioner's gross receipts and shall report the same to the Concessioner with the gross receipts. The Concessioner shall be entitled to exclude items listed in subsection (d)(1) in computing the franchise fee payable to the Secretary as provided for in subsection (a) hereof.

(e) Within sixty (60) days after the end of each five year period of this contract or as otherwise specified, at the instance of either party hereto, the amount and character of the franchise fees provided for in this section may be reconsidered. Such request shall be made in writing within 60 days after the end of the applicable contract year but cannot be made before the end of such year. In the event that the Secretary and the Concessioner cannot agree upon an adjustment of the franchise fees within 120 days from the date of the request for renegotiation as made by either party, the position of the Concessioner must be reduced to writing within 30 days therefrom and submitted to the Secretary for a determination of appropriate fees consistent with the fair value of any assigned Government Improvements and the probable value to the Concessioner of the privileges granted by this contract based upon a reasonable opportunity for a profit in relation to both gross receipts and capital invested. If desired by the Concessioner an advisory panel will be established (one member to be selected by the Secretary, one by the Concessioner, and the third by agreement of the original two) for the purpose of recommending to the Secretary appropriate franchise fees. The Secretary and the Concessioner shall share equally the expenses of such advisory arbitration. The written determination of the Secretary as to franchise fees shall be final and conclusive upon the parties hereto. Any new fees established will be retroactive to the commencement of the applicable period for which notice of reconsideration is given and be effective for the remaining term of the contract unless subsequent negotiations establish yet a different franchise rate. If new rates are greater than existing rates, the Concessioner will

pay all back fees due with the next regular payment. If new rates are less than the existing rates the Concessioner may withhold the difference between the two rates from future payments until he has recouped the overpayment. Any new franchise fees will be evidenced by an amendment to the contract unless based upon the written determination of the Secretary in which event a copy of the determination will be attached hereto and become a part hereof, as fully as if originally incorporated herein.

SEC. 11. BOND AND LIEN. The Secretary may, in his discretion, require the Concessioner to furnish a surety bond acceptable to the Secretary conditioned upon the faithful performance of this contract, in such form and in such amount as the Secretary may deem adequate, not in excess of ONE MILLION DOLLARS (\$1,000,000). As additional security for the faithful performance by the Concessioner of all of its obligations under this contract, and the payment to the Government of all damages or claims that may result from the Concessioner's failure to observe such obligations, the Government shall have at all times the first lien on all assets of the Concessioner within the area.

SEC. 12. TERMINATION. (a) The Secretary may terminate this contract in whole or part for default at any time and may terminate this contract in whole or part when necessary for the protection of visitors or area resources. The operations authorized hereunder may be suspended in whole or in part at the discretion of the Secretary when necessary to protect the health and safety of visitors and employees or to protect area resources. Termination or suspension shall be by written notice to the Concessioner and, in the event of proposed termination for default, the Secretary shall give the Concessioner a reasonable period of time to correct stated deficiencies. Termination for default shall be utilized in circumstances where the Concessioner has breached any requirements of this contract, including failure to maintain and operate the required accommodations, facilities and services to the satisfaction of the Secretary in accordance with the Secretary's requirements hereunder.

(b) In the event of termination of this contract when necessary for the protection of visitors or area resources or for default, the compensation to the Concessioner for such termination shall be as described in Section 13, "Compensation,".

(c) In the event it is deemed necessary to suspend operations hereunder in whole or part to protect the visitors or resources of the area the Secretary shall not be liable for any compensation to the Concessioner for losses occasioned thereby, including but not limited to, lost income, profit, wages, or other monies which may be claimed.

(d) To avoid interruption of service to the public upon the expiration or termination of this contract for any reason, the Concessioner, upon the request of the Secretary, will (1) continue to conduct the operations authorized hereunder for a reasonable time to allow the Secretary to select a successor, or (2) consent to the use by a

temporary operator, designated by the Secretary, of the Concessioner's Improvements and personal property, if any, not including current or intangible assets, used in the operations authorized hereunder upon fair terms and conditions, provided that the Concessioner shall be entitled to an annual fee for the use of such improvements and personal property, prorated for the period of use, in the amount of the annual depreciation on such improvement and personal property plus a return on the book value of such improvements and personal property equal to the prime lending rate, effective on the date the temporary operator assumes managerial and operational responsibilities, as published by the Federal Reserve System Board of Governors or as agreed upon by the parties involved. In this instance the method of depreciation used shall be either straight line depreciation or depreciation shown on Federal Tax Returns.

SEC. 13. COMPENSATION. (a) Just Compensation: The compensation described herein shall constitute full and just compensation to the Concessioner from the Secretary for all losses and claims occasioned by the circumstances described below.

(b) Contract expiration or termination where operations are to be continued: If for any reason, including contract expiration or termination as described herein, and subject to the limitation on compensation for possessory interest contained in subsection (d) hereof, the Concessioner shall cease to be required by the Secretary to conduct the operations authorized hereunder, or substantial part thereof, and, at the time of such event the Secretary intends for substantially the same or similar operations to be continued by a successor, whether a private person, corporation or an agency of the Government, (i) the Concessioner will sell and transfer to the successor designated by the Secretary its possessory interest in Concessioner and Government Improvements, if any, as defined under this contract, and all other property of the Concessioner used or held for use in connection with such operations; and (ii) the Secretary will require such successor, as a condition to the granting of a contract to operate, to purchase from the Concessioner such possessory interests, if any, and such other property, and to pay the Concessioner the fair value thereof. The fair value of any possessory interest in Government Improvements shall be book value as described in Section 13(c) hereof except for those Government improvements constructed or rehabilitated pursuant to Section 3(c) hereof, which shall be valued pursuant to Section 13(e) hereof. In the event that such possessory interest in Government Improvements is acquired by a successor, the successor will not be permitted to revalue such possessory interest. The fair value of possessory interest in Concessioner's Improvements shall be deemed to be the sound value of the improvement to which it relates at the time of transfer of such possessory interest, without regard to the term or other benefits of the contract. The sound value of any structure, fixture, or improvement shall be determined upon the basis of reconstruction cost less depreciation evidenced by its condition and prospective serviceability in comparison with a new unit of like kind, but not to exceed fair market value. The fair value of merchandise and supplies shall be replacement cost including transportation. The fair value of equipment shall be

replacement cost less depreciation and obsolescence. If the Concessioner and the successor, excepting Government agencies, cannot agree upon the fair value of any item or items, either party may serve a request for arbitration upon the other party, and the fair value of the item or items in question shall be determined by the majority vote of a board of three arbitrators, selected as follows: Each party shall name one member of such board and the two members so named shall select the third member. If either party fails to appoint an arbitrator within 15 days after the other shall have appointed an arbitrator and served written notice, including the name and address of the arbitrator appointed, upon the other party, then the American Arbitration Association shall be requested by the Secretary to appoint an arbitrator to represent the party failing to make the appointment. The costs and expenses of the arbitrator appointed by the American Arbitration Association to represent the party failing to make the appointment shall be paid for by that party. The two arbitrators so named shall select the third member. If the third member is not selected within 15 days after the appointment of the latter of the other two arbitrators, the American Arbitration Association shall be requested by the Secretary to appoint the third arbitrator. In requesting that the American Arbitration Association appoint an arbitrator in the situations discussed above, the Secretary shall request that the person or persons appointed shall be impartial and specially qualified in commercial and real estate appraisal. The fair value determined by the Board of Arbitrators shall be binding on the parties. The compensation and expenses of the third member shall be paid by the Concessioner and one-half of the amount so paid shall be added to the purchase price. Before reaching its decision, the board shall give each of the parties a fair and full opportunity to be heard on the matters in dispute. If the successor is a Government agency and there is a dispute as to the fair value of any possessory interest, or other items, an advisory arbitration panel will be established at the request of the Concessioner (one member to be selected by the Secretary, one by the Concessioner, and the third by agreement of the original two) for the purpose of recommending to the Secretary an appropriate fair value. The Secretary and the Concessioner shall share equally the expenses of such advisory arbitration. The written decision of the Secretary as to such fair value will be final and binding upon all parties.

(c) Contract expiration or termination where operations are to be discontinued: If for any reason, including contract expiration or termination as described herein, the Concessioner shall cease to be required by the Secretary to conduct the operations authorized hereunder, or substantial part thereof, and the Secretary at the time chooses to discontinue such operations, or substantial part thereof within the area, and/or to abandon, remove, or demolish any of the Concessioner's Improvements, if any, then the Secretary will take such action as may be necessary to assure the Concessioner of compensation for (i) its possessory interest in Concessioner Improvements, and Government Improvements, if any, in the amount of their book value (unrecovered cost as shown in Federal Income Tax Returns); (ii) the cost to the Concessioner of restoring any assigned land to a natural condition, including removal and demolition, (less salvage) if required by the Secretary; and (iii) the cost of transporting to a reasonable market for sale such movable property of the

Concessioner as may be made useless by such determination. Any such property that has not been removed by the Concessioner within a reasonable time following such determination shall become the property of the United States without compensation therefor.

(d) Contract Termination for Default for Unsatisfactory Performance Where Operations are to be Continued. Notwithstanding any provision of this contract to the contrary, in the event of termination of this contract for default for failure to maintain and operate the required accommodations, facilities and services to the satisfaction of the Secretary in accordance with the Secretary's requirements hereunder, compensation for the Concessioner's possessory interest in Concessioner's Improvements, if any, shall be at book value as described in Subsection 13(c) herein.

(e) Section 3(c) Improvements. Notwithstanding any other provision of this contract to the contrary, all improvements made pursuant to Section 3(c) hereof are the property of the United States. In the event such Section 3(c) improvements are determined to be possessory interest property, just compensation therefore is expressly fixed at zero (\$0) dollars.

(f) Other Compensation. In the event of termination of this contract or portions thereof, for the purpose of protecting visitors or area resources the Concessioner may be compensated (in addition to the applicable compensation described in subsections (b) or (c) above) for such other costs as the Secretary, in his discretion, considers necessary to compensate the Concessioner for actual losses occasioned by such termination, including, but not limited to, and as the needs appear, cost of relocating from one building to another building, reasonable severance pay to employees that may be affected, penalties for early loan repayments, and reasonable overhead expenses required by such termination, but, not for lost profit or other anticipated gain from the operations authorized hereunder or anticipated sale or assignment of the Concessioners assets, including this contract or any of its benefits.

SEC. 14. ASSIGNMENT OR SALE OF INTERESTS. (a)(1) The Concessioner and/or any person or entity which owns a controlling interest (as herein defined) in a Concessioner's ownership, (collectively defined as the "Concessioner" for the purposes of this section) shall not assign or otherwise sell or transfer responsibilities under this contract or the concession operations authorized hereunder, nor sell or otherwise assign or transfer (including, without limitation mergers, consolidations, reorganizations or other business combinations) a controlling interest in such operations, this contract, or a controlling interest in the Concessioner's ownership, as defined herein, without the prior written approval of the Secretary. Failure to comply with this provision or the procedures described herein shall constitute a material breach of this contract for which this contract may be terminated immediately by the Secretary without regard to the procedures for termination for default described in Section 12 hereof, and, the Secretary shall not be obliged to

recognize any right of any person or entity to an interest in this contract or to own or operate the operations authorized hereunder acquired in violation hereof.

(2) The Concessioner shall advise the person(s) or entity proposing to enter into a transaction described in Subsection (a)(1) above that the Secretary shall be notified and that the proposed transaction is subject to review and approval by the Secretary. The Concessioner shall request in writing the Secretary's approval of the proposed transaction and shall promptly provide the Secretary all relevant documents related to the transaction, and the names and qualifications of the person(s) or entity involved in the proposed transaction.

(b)(1) The Secretary, in exercising the discretionary authority set forth herein, shall among other matters, take into consideration the management qualifications of individuals or entities which would thereby obtain an interest in the facilities or services authorized hereunder, the experience of such individuals or entities with similar operations, and the ability of such individuals or entities to operate the Concessioner operations authorized hereunder in the public interest under the regulation of the Secretary.

(2) For purposes of this section, the term "controlling interest" in a Concessioner's ownership shall mean, in the instance of a corporate concessioner, an interest beneficial or otherwise, of sufficient outstanding voting securities or capital of the Concessioner so as to permit exercise of substantial managerial influence over the operations of the Concessioner, and, in the instance of a partnership, limited partnership, joint venture or individual entrepreneurship, any beneficial ownership of the capital assets of the Concessioner sufficient to permit substantial managerial influence over the operations of the Concessioner. The Secretary will determine at the request of interested parties whether or not an interest in a concessioner constitutes a controlling interest within the meaning hereof.

(c) The Concessioner may not enter into any agreement with any entity or person except employees of the Concessioner to exercise substantial management responsibilities for the operation authorized hereunder or any part thereof without written approval of the Secretary at least 30 days in advance of such transaction.

(d) No mortgage shall be executed, and no bonds, shares of stock, or other evidence of interest in, or indebtedness upon, the assets of the Concessioner, including this contract, in the area, shall be issued, except for the purposes of installing, enlarging or improving, plant equipment and facilities, provided that, such assets, including possessory interest, or evidences of interests therein, in addition, may be encumbered for the purposes of purchasing existing concession plant, equipment and facilities. In the event of default on such a mortgage, encumbrance, or such other indebtedness, or of other assignment transfer, or encumbrance, the creditor or any assignee thereof, shall succeed to the interest of the Concessioner in such assets but shall not thereby acquire operating rights or privileges

which shall be subject to the disposition of the Secretary.

SEC. 15. APPROVAL OF SUBCONCESSION CONTRACTS. All contracts and agreements (other than those subject to approval pursuant to Section 14 hereof) proposed to be entered into by the Concessioner with respect to the exercise by others of the privileges granted by this contract in whole or part shall be considered as subconcession contracts and shall be submitted to the Secretary for his approval and shall be effective only if approved. In the event any such subconcession contract or agreement is approved the Concessioner shall pay to the Secretary within ninety (90) days after the 31st day of December each year a sum equal to fifty percent (50%) of any and all fees, commissions, or compensation payable to the Concessioner thereunder, which shall be in addition to the franchise fee payable to the Secretary on the gross receipts of subconcessioners as provided for in Section 9 of this contract.

SEC. 16. INSURANCE AND INDEMNITY.

(a) GENERAL The Concessioner shall save, hold harmless, defend and indemnify the United States of America, its agents and employees for losses, damages or judgments and expenses on account of fire or other peril, bodily injury, death or property damage, or claims for bodily injury, death or property damage, of any nature whatsoever, and by whomsoever made, arising out of the activities of the Concessioner, his employees, sub-contractors or agents under the contract. The types and amounts of insurance coverage purchased by the Concessioner shall be approved by the Secretary.

At the request of the Secretary the Concessioner shall, annually, or at the time insurance is purchased provide the Secretary with a Statement of Concessioner Insurance and Certificates of Insurance as evidence of compliance with this section and shall provide the Secretary thirty (30) days advance written notice of any material change in the Concessioner's insurance program hereunder.

The Secretary will not be responsible for any omissions or inadequacies of insurance coverages and amounts in the event the insurance purchased by the Concessioner proves to be inadequate or otherwise insufficient for any reason whatsoever.

(b) PROPERTY INSURANCE The Concessioner will, in the event of damage or destruction, repair or replace those buildings, structures, equipment, furnishings, betterments and improvements and merchandise determined by the Secretary to be necessary to satisfactorily discharge the Concessioner's obligations under this contract and for this purpose shall provide fire and extended insurance coverage on both Concessioner Improvements and assigned Government Improvements in such amounts as the Secretary may require during the term of this contract.

Those values currently in effect are set forth in Exhibit F to this contract. The exhibit will be revised at least every 3 years, or sooner if there is a substantial increase in values.

Such insurance shall provide for the Concessioner and the United States of America to be named insureds as their interest may appear. In the event of loss, the Concessioner shall use all proceeds of such insurance to repair, rebuild, restore or replace Concessioner and Government Improvements, equipment, furnishings and other personal property hereunder, as directed by the Secretary. The lien provision of Section 11 shall apply to such insurance proceeds.

The Concessioner shall purchase the following additional property coverages in the amounts set forth in Exhibit F:

- (1) BOILER AND MACHINERY
- (2) SPRINKLER LEAKAGE
- (3) BUILDERS' RISK
- (4) HULL
- (5) EXTENSION-OF-COVERAGE ENDORSEMENT

(c) Additional Property Damage Requirements - Government Improvements, Property and Equipment

The following additional requirements shall apply to structures, all or any part of which are "Government Improvements" as defined in Section 5(b).

(1) The insurance policy shall contain a loss payable clause approved by the Secretary which requires insurance proceeds to be paid directly to the Concessioner without requiring endorsement by the United States.

(2) The use of insurance proceeds for repair or replacement of Government structures will not alter their character as Government structures and the Concessioner shall gain no possessory interest therein.

(d) PUBLIC LIABILITY The Concessioner shall provide Comprehensive General Liability insurance against claims occasioned by actions or omissions of the Concessioner in carrying out the activities and operations authorized hereunder. Such insurance shall be in the amount commensurate with the degree of risk and the scope and size of such activities authorized herein, but in any event, the limits of liability shall not be less than (\$5,000,000) per occurrence and (\$10,000,000) annual aggregate and property damage of at least (\$5,000,000) per occurrence and (\$5,000,000) annual aggregate. If claims reduce available insurance below the required per occurrence limits, the Concessioner shall obtain

additional insurance to restore the required limits. An umbrella or excess liability policy, in addition to a Comprehensive General Liability Policy, may be used to achieve the required limits.

From time to time, as conditions in the insurance industry warrant, the Secretary reserves the right to revise the minimum required limits.

All liability policies shall specify that the insurance company shall have no right of subrogation against the United States of America or shall provide that the United States of America is named an additional insured.

The Concessioner shall also obtain the following additional coverages at the same limits as required for Comprehensive General Liability insurance unless other limits are specified below:

- (1) Product Liability
- (2) Liquor Legal Liability
- (3) Protection And Indemnity (Watercraft Liability)
- (4) Automobile Liability - To cover all owned, non-owned and hired vehicles
- (5) Garage Liability
- (6) Workers' Compensation ,

SEC. 17. PROCUREMENT OF GOODS, EQUIPMENT, AND SERVICES. In computing net profits for any purposes of this contract, the Concessioner agrees that its accounts will be kept in such a manner that there will be no diversion or concealment of profits in the operations authorized hereunder by means of arrangements for the procurement of equipment, merchandise, supplies, or services from sources controlled by or under common ownership with the Concessioner or by any other device.

SEC. 18. DISPUTES. (a) Except as otherwise provided in this contract, any dispute, or claim, concerning this contract which is not disposed of by agreement shall be decided by the Director, National Park Service, who shall reduce his decision to writing and mail or otherwise furnish a copy thereof to the Concessioner. The decision of the Director shall be final and conclusive unless, within 30 days from the date of receipt of such copy, the Concessioner mails or otherwise furnishes to the Director a written notification of appeal addressed to the Secretary. In accordance with the rules of the Board of Contract Appeals, the decision of the Secretary or his duly authorized representative for the determination of such appeals, shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, or capricious, or

arbitrary, or so grossly erroneous as necessarily to imply bad faith, or not supported by substantial evidence. In connection with any appeal proceeding under this clause, the Concessioner shall be afforded an opportunity to be heard and to offer evidence in support of his appeal. Pending final decision of a dispute or claim hereunder, the Concessioner shall proceed diligently with the performance of the contract or as otherwise required in accordance with the Director's decision.

Claims shall be considered hereunder only if a notice is filed in writing with the Director within 30 days after the Concessioner knew or should have known of the facts or circumstances giving rise to the claim.

(b) This section does not preclude consideration of legal questions in connection with decisions provided for in paragraph (a) above; provided, that nothing in this contract shall be construed as making final the decision of any administrative official, representative, or board on a question of law.

(c) The provisions of this clause shall not apply to any claim of a precontractual nature nor of a non-contractual nature such as tort claims, nor with respect to discretionary acts or refusals to act by the United States, including but not limited to the establishment of utility rates and rates to the public hereunder and terminations or suspensions of the contract for protection of visitors or area resources nor to any other discretionary relief or action, nor in relation to action or inaction by the United States in its sovereign capacity. Decisions of the Director, National Park Service, concerning the matters mentioned in this subsection shall be final administrative determinations.

SEC. 19. GENERAL PROVISIONS. (a) Reference in this contract to the "Secretary" shall mean the Secretary of the Interior, and the term shall include his duly authorized representatives.

(b) The Concessioner is not entitled to be awarded or to have sole negotiating rights to any Federal procurement or service contract by virtue of any provision of this contract.

(c) Notwithstanding any other provision hereof, the Secretary reserves the right to provide directly or through cooperative or other non-concession agreements with non-profit organizations any accommodations, facilities or services to area visitors which are part of and appropriate to the park interpretive program.

(d) That any and all taxes which may be lawfully imposed by any State or its political subdivisions upon the property or business of the Concessioner shall be paid promptly by the Concessioner.

(e) The Concessioner shall assist the Secretary, when requested, in response to emergencies resulting from natural or man-caused disasters such as wind or fire and in searches.

(f) No member of, or delegate to, Congress or Resident Commissioner shall be admitted to any share or part of this contract or to any benefit that may arise herefrom but this restriction shall not be construed to extend to this contract if made with a corporation or company for its general benefit.

(g) This contract may not be extended, renewed or amended in any respect except when agreed to in writing by the Secretary and the Concessioner.

IN WITNESS WHEREOF, the parties hereto have hereunder subscribed their names and affixed their seals.

Dated at Denver, Colorado, this 8th day of
December, 19 88.

UNITED STATES OF AMERICA

By Lorraine Mintzmueller
Regional Director
Rocky Mountain Region

ATTEST:

Del Webb Recreational Properties, Inc.

By Thomas E. Lucas
Thomas E. Lucas
Title Assistant Secretary

By A. H. Earley
A. H. Earley
Title President

Date July 29, 1988

Date July 29, 1988

Exhibit "A" - Phased Development Schedule
Concession Contract No. CC-GLCA005-88
Del Webb Recreational Properties, Inc.

Pursuant to subsection 1(b):

The Secretary and the Concessioner agree that the development authorized by this contract should be phased over time, generally following the Area's Development Concept Plans (Hite 1983, Bullfrog 1985, and Halls Crossing 1985). A suggested phasing schedule is enclosed with this exhibit. The Concessioner shall implement the phased development schedule as the Secretary may direct when the Secretary is satisfied that the following conditions have been met.

a) A demonstrated need for the facility exists. A market analysis and economic feasibility study will normally be required for all commercial facilities, and should normally be submitted with project conceptual designs.

b) The Secretary must be satisfied that adequate support services; such as fire suppression, law enforcement, medical services, informational services, infrastructure maintenance, and mitigation of development impacts on Area resources; have been provided for by the Secretary, Concessioner, or other sources.

c) The Secretary must be satisfied that adequate infrastructure, in the manner of roads, parking lots, and utilities, have been provided by the Secretary, Concessioner, or from other sources.

d) That the additional facility will not exceed the visitor use limits established by the Lake Powell Carrying Capacity Study, as amended.

BULLFROG BASIN SITE

Phase I - to be completed by December 31, 1992

- Add 72 marina boat storage slips.
- Add 20 houseboats with maintenance facilities.
- Add 20 small rental boats.
- Construct about 50% of Village Center with parking.
- Construct 50 lodge units with parking.
- Expand restaurant facilities.
- Construct 10 employee townhouse units.
- Relocate property maintenance shop.
- Relocate warehouse.
- Construct fast food restaurant.
- Construct marina and boat rental parking spaces.
- Construct 50 unit RV park in area vacated in present employee housing loop. Convert present RV park to use by seasonal employees.
- Construct boat repair yard for use by the public.

Phase II - may be completed earlier but no later than December 31, 1997.

- Add 56 marina boat storage slips.
- Add 20 houseboats with maintenance facilities.
- Add 20 small rental boats.
- Complete construction of Village Center facilities.
- Complete lodge construction.
- Construct 10 housekeeping units with parking.
- Construct 30 employee townhouse units.
- Construct 100 unit employee dormitory.
- Expand warehousing.

- Relocate boat repair services.
- Expand dry boat storage.
- Construct 50 additional RV units.

Phase III - may be completed earlier but no later than December 31, 2002.

- Add 56 marina boat storage slips.
- Add 5 houseboats with maintenance facilities.
- Add 16 small rental boats.
- Construct 20 employee townhouse units.
- Construct 50 unit employee dormitory.
- Construct 10 housekeeping units with parking.
- Complete RV park construction.

Phase IV - may be completed earlier but no later than December 31, 2007.

- Add 56 marina boat storage slips.
- Construct 10 housekeeping units with parking.
- Provide launch ramp shuttle services.
- Construct 5 single family homes.

HALLS CROSSING SITE

Phase I - to be completed by December 31, 1992.

- Relocate existing marina boat storage slips, add 75 slips.
- Relocate boat rental operations, add 20 houseboats, construct passenger loading and maintenance facilities.
- Add 20 small rental boats.
- Relocate marina store and construct fast food restaurant.
- Construct marina access road and parking.
- Construct 300 unit boat rental parking lot.
- Construct 10 townhouse employee housing units.
- Construct 75 unit employee dormitory and dining facility.
- Construct about 50% of village center including a laundry/shower facility, general store, and administrative offices.
- Construct boat repair yard for use by the public.

Phase II - may be completed earlier but no later than December 31, 1992.

- Add 50 boat mooring slips.
- Expand mooring buoy field by 57 buoys.
- Add 20 rental houseboats.
- Add 20 small rental boats.
- Expand boat rental parking by 100 spaces.
- Construct 50 unit employee dormitory.
- Construct 8 employee townhouse units.
- Expand warehouse and relocate property maintenance facilities.
- Construct restaurant with parking.
- Construct 50 lodge units with parking.
- Complete construction of village center and parking.

- Relocate dry boat storage and boat repair services.

Phase III - may be completed earlier but no later than December 31, 2002.

- Add 20 rental houseboats.
- Add 20 small rental boats.
- Expand boat rental parking by 100 spaces.
- Construct 8 employee townhouse units.
- Construct 50 unit employee dormitory.
- Construct 100 RV sites.
- Construct 50 lodge units with parking.

Phase IV - may be completed earlier but no later than December 31, 2007.

- Add 36 small boat rentals.
- Construct 26 employee townhouse units.
- Construct 5 single family housing units.
- Construct 68 RV sites.
- Construct 50 lodge units with parking.
- Construct 20 housekeeping units with parking.
- Relocate warehouse.

HITE SITE

To be completed by December 31, 1997.

- Construct 10 housekeeping units with parking.
- Provide a snack bar with seating within the general store.
- Add 40 marina boat storage slips.
- Add 100 dry boat storage spaces.
- Add 20 rental houseboats with maintenance facilities.
- Add 18 small rental boats.
- Construct RV park/campground of 50 sites.
- Construct laundry/shower facility.
- Construct boat repair facility.
- Construct boat repair yard for use by the public.
- Construct warehouse.
- Construct employee housing units.

Exhibit "B" - Area of Preferential Right to Additional Services
Concession Contract No. CC-GLCA005-88
Del Webb Recreational Properties, Inc.

Pursuant to subsection 2(d) of the contract the area of preferential right is as follows:

BULLFROG SITE:

The east 1/2 of section 32 and section 33 of Township 37 South, Range 11 East; and section 4, section 5, section 7, and section 8 of Township 38 South, Range 11 East; Salt Lake Meridian; Kane County, Utah.

HALLS CROSSING SITE:

The east 1/2 section 29, the east 1/2 section 32, section 28, and section 33 of Township 38 South, Range 11 East, Salt Lake Meridian; San Juan County, Utah.

HITE SITE:

The east 1/2 of section 29, the east 1/2 of section 32, section 28, and section 27, of Township 33 South, Range 14 East; Salt Lake Meridian; San Juan County, Utah.

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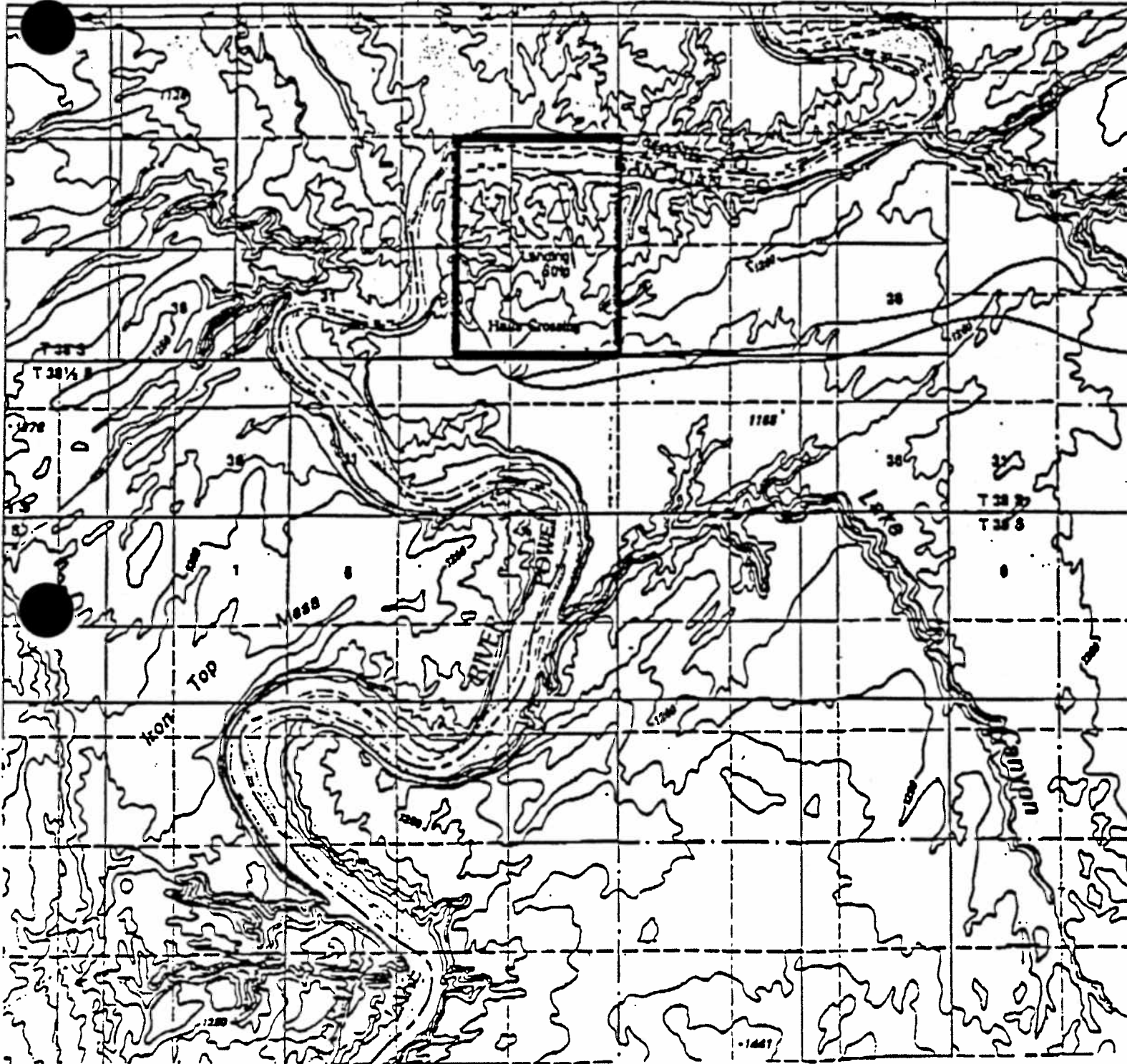


Exhibit "B" - Area of Preferential Right
to Additional Services

Halls Crossing Site

EXHIBIT C - Nondiscrimination Provisions
Concessions Contract No. CC-GLCA005-88
Del Webb Recreational Properties, Inc.

Nondiscrimination
Reference Subsection 3(b)(3)

Section I
Requirements Relating to Employment
and
Service to the Public

A. EMPLOYMENT: During the performance of this concession contract, the Concessioner agrees as follows:

(1) The Concessioner will not discriminate against any employee or applicant for employment because of race, color, religion, sex, age, national origin, or disabling condition. The Concessioner will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, age, national origin, or disabling condition. Such action shall include, but not be limited to, the following: Employment upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Concessioner agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Secretary setting forth the provisions of this nondiscrimination clause.

(2) The Concessioner will, in all solicitations or advertisements for employment placed by or on behalf of the Concessioner, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, age, sex, national origin, or disabling condition.

(3) The Concessioner will send each labor union or representative of workers with which the Concessioner has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the Secretary, advising the labor union or worker's representative of the Concessioner's commitments under Section 202 of Executive Order 11246 of September 24, 1965, as amended by Executive Order 11375 of October 13, 1967, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(4) Within 120 days of the commencement of a contract every Government contractor or subcontractor holding a contract that generates gross receipts which exceed \$50,000 or more and having 50 or more employees shall prepare and maintain an affirmative action program at each establishment which shall set forth the contractor's policies, practices, and procedures in accordance with the affirmative action program

requirement.

(5) The Concessioner will comply with all provisions of Executive Order 11246 of September 24, 1965, as amended by Executive Order 11375 of October 13, 1967, and of the rules, regulations, and relevant orders of the Secretary of Labor.

(6) The Concessioner will furnish all information and reports required by Executive Order 11246 of September 24, 1965, as amended by Executive Order 11375 of October 13, 1967, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to the Concessioner's books, records, and accounts by the Secretary of the Interior and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

(7) In the event of the Concessioner's noncompliance with the nondiscrimination clauses of this concession contract or with any of such rules, regulations, or orders, this concession contract may be canceled, terminated, or suspended in whole or in part and the Concessioner may be declared ineligible for further Government concession contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, as amended by Executive Order 11375 of October 13, 1967, and other such sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, as amended by Executive Order 11375 of October 13, 1967, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

(8) The Concessioner will include the provisions of paragraphs (1) through (7) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order 11246 of September 24, 1965, as amended by Executive Order 11375 of October 13, 1967, so that such provisions will be binding upon each subcontractor or vendor. The Concessioner will take such action with respect to any subcontract or purchase order as the Secretary may direct as a means of enforcing such provisions, including sanctions for noncompliance: Provided, however, that in the event the Concessioner becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the Secretary, the Concessioner may request the United States to enter into such litigation to protect the interests of the United States.

B. CONSTRUCTION, REPAIR, AND SIMILAR CONTRACTS: The preceding provisions A(1) through (8) governing performance of work under this contract, as set out in Section 202 of Executive Order 11246, dated September 24, 1965, as amended by Executive Order 11375 of October 13, 1967, shall be applicable to this contract, and shall be included in all contracts executed by the Concessioner for the performance of construction, repair, and similar work contemplated by this contract, and for that purpose the term "Contract" shall be deemed to refer to this instrument and to contracts awarded by the Concessioner and the term "Concessioner" shall be deemed to refer to the Concessioner and to contractors awarded contracts by the Concessioner.

C. FACILITIES. (1) Definitions: As used herein: (i) Concessioner shall mean the Concessioner and its employees, agents, lessees, sublessees, and contractors, and the successors in interest of the Concessioner; (ii) Facility shall mean any and all services, facilities, privileges, and accommodations, or activities available to the general public and permitted by this agreement.

(2) The Concessioner is prohibited from: (i) publicizing facilities operated hereunder in any manner that would directly or inferentially reflect upon or question the acceptability of any person because of race, color, religion, sex, age, national origin, or disabling condition; (ii) discriminating by segregation or other means against any person because of race, color, religion, sex, age, national origin, or disabling condition in furnishing or refusing to furnish such person the use of any such facility.

(3) The Concessioner shall post a notice in accordance with Federal regulations to inform the public of the provisions of this subsection, at such locations as will ensure that the notice and its contents will be conspicuous to any person seeking accommodations, facilities, services, or privileges. Such notice will be furnished the Concessioner by the Secretary.

(4) The Concessioner shall require provisions identical to those stated in subsection C herein to be incorporated in all of the Concessioner's contracts or other forms of agreement for use of land made pursuant of this agreement.

Section II Accessibility

Title V, Section 504 of the Rehabilitation Act of 1973, as amended in 1978, requires that action be taken to assure that "program" or "service" being provided to the general public be provided to the highest extent reasonably possible to individuals who are mobility impaired, hearing impaired, and visually impaired. It does not require architectural access to every building or facility, but only that the service or program can be provided somewhere in an accessible location. It also allows for a wide range of methods and techniques for achieving the intent of the law and calls for consultation with disabled persons in determining what is reasonable and feasible.

No handicapped person shall, because a Concessioner's facilities are inaccessible to or unusable by handicapped persons, be denied the benefits of, be excluded from participation in, or otherwise be subjected to discrimination under any program or activity receiving Federal financial assistance or conducted by any Executive agency or by the United States Postal Service.

Part A
Discrimination Prohibited

A Concessioner, in providing any aid, benefit, or service, may not directly or through contractual, licensing, or other arrangements, on the basis of handicap:

1. Deny a qualified handicapped person the opportunity to participate in or benefit from the aid, benefit, or service;
2. Afford a qualified handicapped person an opportunity to participate in or benefit from the aid, benefit, or service that is not equal to that afforded others;
3. Provide a qualified handicapped person with an aid, benefit, or service that is not as effective as that provided to others;
4. Provide different or separate aids, benefits, or services to handicapped persons or to any class of handicapped persons unless such action is necessary to provide qualified handicapped persons with aid, benefits, or services that are as effective as those provided to others;
5. Aid or perpetuate discrimination against a qualified handicapped person by providing significant assistance to an agency, organization, or person that discriminates on the basis of handicap in providing any aid, benefit, or services to beneficiaries of the recipient's program;
6. Deny a qualified handicapped person the opportunity to participate as a member of planning or advisory boards; or
7. Otherwise limit a qualified handicapped person in the enjoyment of any right, privilege, advantage, or opportunity enjoyed by others receiving an aid, benefit, or service.

Part B
Existing Facilities

A Concessioner shall operate each program or activity so that the program or activity, when viewed in its entirety, is readily accessible and usable by handicapped persons. This paragraph does not require a Concessioner to make each of its existing facilities or every part of a facility accessible and usable by handicapped persons.

LAND ASSIGNMENT
AND MAINTENANCE AGREEMENT
TO
BULLFROG RESORT AND MARINA, INCORPORATED
HALLS CROSSING RESORT AND MARINA, INCORPORATED
HITE RESORT AND MARINA, INCORPORATED
CONCESSION CONTRACT NO. CC-GLCA005-88

1. Pursuant to Section 9 of the concession contract, the areas of land deemed necessary for the operation of the concession, as shown in attached drawings A, B, and C, and as listed below, are assigned to the Concessioner for his use.

The following are assigned to Bullfrog Resort and Marina, Incorporated: the lodge complex, marina complex, buoy field, dry boat storage area, recreational vehicle park, employee trailer village and convenience store, dormitory complex, city center complex, and, for the purpose of litter pickup only, the road shoulders to 50 feet from the center line of the roads from the service station to the marina store, lodge and dry boat storage area.

The following are assigned to Halls Crossing Resort and Marina, Incorporated: the dry boat storage area, marina complex, buoy field, City Center complex, recreational vehicle park and housekeeping areas, employee trailer village and dormitories, concession generator area off the dry boat storage road, ferry ramps and parking areas at Halls Crossing and at Bullfrog whenever Halls Crossing Resort and Marina, Inc. is under contract to manage the ferry for the state of Utah, and, for the purpose of litter collection only, the road shoulders to 50 feet from the center line of the roads to dry boat storage and the employee trailer village.

The following are assigned to Hite Resort and Marina, Incorporated: the marina complex, buoy field, dry boat

storage/store complex, generator area, trailer village complex, and for the purpose of litter pickup only, the road shoulders to 50 feet from center line of the road from above the launch ramp to the marina.

2. Within the boundaries of the parcels of assigned lands, the concessioner is responsible for all basic maintenance, including, but not limited to, the following: interior and exterior maintenance and repair of buildings and other structures, landscaping, grounds care and improvement, walkway maintenance, sweeping parking lots, and litter collection and disposal. This includes litter collection on all areas adjacent to concession facilities.

3. Within the boundaries of the parcels of assigned lands the Secretary is responsible for major repair and rebuilding of parking lots and roads, except that the Secretary assumes no responsibility for the temporary parking lot across the main road from the marina store at Bullfrog.

4. Utility improvements shall be provided as listed below and as shown on the drawings attached.

At all properties, all work done by the concessioner on utility systems shall be subject to approval by the NPS and will meet all state and federal codes.

(A) ELECTRICITY (Drawings 1A, 2A, 3A)

BULLFROG:

The concessioner is the primary supplier of electrical power, responsible for power generation and for the power distribution system, except as follows:

1. the National Park Service retains responsibility for the three oil switches, transformers and associated equipment at the dry boat storage road junction (#1), trailer village road junction (#2), and across from the service station (#3), and for the main distribution system between switches #1 and #3.

2. the National Park Service is responsible for the distribution systems from and including switch #3 to the campground, housing and office complexes, and to the clinic and launch ramp complexes, including the transformers above the launch ramp.

3. the concessioner is responsible for the distribution system from switch #3 to and including their LP gas tank, and to the lodge from, but not including, the NPS transformer above the launch ramp.

HALLS CROSSING:

The National Park Service is the primary supplier of electrical power, responsible for power generation and for the power distribution system to and including:

1. the 300 KVA 3 phase transformer and meter serving the marina complex; concessioner is responsible for the distribution system on the secondary side of that meter.
2. the 300 KVA 3 Phase transformer and meter serving the city center complex; concessioner is responsible for the distribution system on the secondary side of that meter.
3. the switch gear and meter at the dry storage road junction; concessioner is responsible for the distribution system on the secondary side of that meter.
4. electric meters in the trailer village complex, including the new employee dormitory building, concession employee-housing trailers, and concession recreation hall; users are responsible for the distribution systems on the secondary sides of those meters; including the meter base or pedestal.

HITE:

The concessioner is the primary supplier of electrical power, responsible for power generation and for the power distribution system to and including individual meters. Users are responsible for the distribution system on the secondary sides of those meters, including the meter base or pedestal.

(B) SEWAGE (Drawings 1B, 2B, 3B)

The National Park Service is responsible for the primary sewage collection and treatment systems; the concessioner is responsible for secondary sewage systems serving concession facilities as follows: as shown on maps 3A, 3B and 3C.

BULLFROG:

1. The concessioner is responsible for the lift station near the marina store and for the sewer line from that lift station to, but not including, the lift station nearest the dry storage road junction.
2. The concessioner is responsible for the sewage systems in the dormitory complex and in the R.V. park in their

entirety, to but not including the lift station at the dry storage road junction.

3. The concessioner is responsible for the sewage system in the trailer village complex in its entirety, to, but not including, the two man holes where the system from trailer village joins the main sewage line. One manhole is located on the southeast shoulder of trailer village road, between the road and the #2 oil switch gear; the other is located along the boat yard northwest fenceline about 20' from the marina access road.

4. The concessioner is responsible for the sewage system in the city center complex in its entirety, to its junction with the main sewage line at the manhole outside the service station bays.

5. The concessioner is responsible for the sewage system in the lodge/restaurant complex to but not including the lift station above the main launch ramp. The concessioner is responsible for ensuring that grease from the restaurant kitchen does not enter the sewage system in unacceptable quantities, as determined by the National Park Service.

HALLS CROSSING:

1. The concessioner is responsible for the sewage system from the houseboat dock to but not including the valve part way up the marina ramp where the sewage line from the NPS boat pumpout and the line from the houseboat dock meet.

2. The concessioner is responsible for the sewage system from the city center complex to the system junction with the main sewage line west of the main road and below the R.V. dump station.

3. The concessioner is responsible for the sewage system in the employee trailer village to but not including the manholes where the secondary system joins the main line. However, the National Park Service is responsible for those parts of the secondary sewage system which exclusively serve National Park Service residences or the schoolhouse.

4. The concessioner is entirely responsible for the independent sewage system serving the warehouse complex.

HITE:

1. The concessioner is responsible for the sewage system from the marina to but not including the lift station nearest the launch ramp.

2. The concessioner is responsible for the sewage system from the store and trailer village concession facilities to the 6" sewer main.

(C) WATER (Drawings 1C, 2C, 3C)

The National Park Service is responsible for providing and delivering potable water, except that the concessioner is responsible for water delivery systems serving concession facilities as follows, and as shown on drawings 4A, 4B, and 4C:

BULLFROG:

1. The concessioner is responsible for water delivery systems from, but not including, the valve and main meter near the warehouse to the marina, trailer village, city center, R.V. park and dormitory complex.
2. The concessioner is responsible for the water delivery system from, but not including, the valve and main meter above the launch ramp through the lodge/restaurant complex and to the main line along the marina access road.

HALLS CROSSING:

1. The concessioner is responsible for the water delivery system within the city center complex from but not including the two water meters there.
2. The concessioner is responsible for the water delivery system serving the marina from but not including the water meter above the gas dock.
3. The concessioner is responsible for the water delivery system serving facilities in the employee trailer village on the secondary side of the valve at each unit.
4. The National Park Service is responsible for the fire hydrants and for water delivery to them.

HITE:

1. The concessioner is responsible for water delivery systems on the secondary side of the valve, not including the valve, at each concession facility.
2. The National Park Service is responsible for the fire hydrants and for water delivery to them.

(D) PROPANE

BULLFROG:

Each party is responsible for supplying propane to its own facilities, and for their respective systems in their entirety.

HALLS CROSSING:

The concessioner is responsible for supplying and distributing propane to the trailer village complex, city center and marina complexes. In the trailer village complex, the concessioner is responsible for the propane distribution systems serving NPS residences up to and including the shut-off valves on the secondary sides of the meters at each unit. The NPS is responsible for supplying propane to the Ranger Station.

HITE:

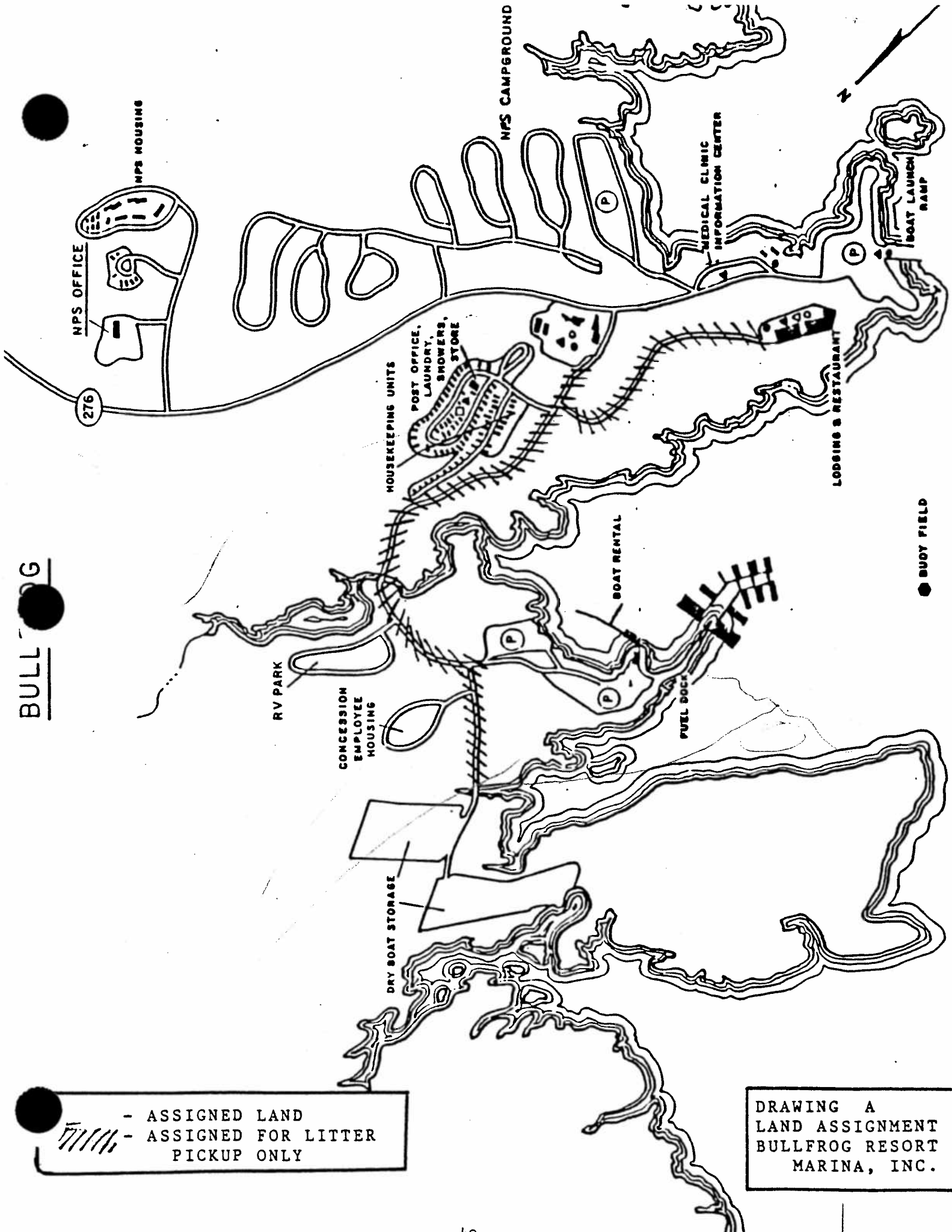
Each party is responsible for supplying propane to its own facilities, and for their respective systems in their entirety.

BULLFROG:

Each party is responsible for supplying propane to its own facilities, and for their respective systems in their entirety.

This assignment will be reviewed by the Area Superintendent when appropriate, but no less than annually and amended or modified as necessary.

BULLFROG

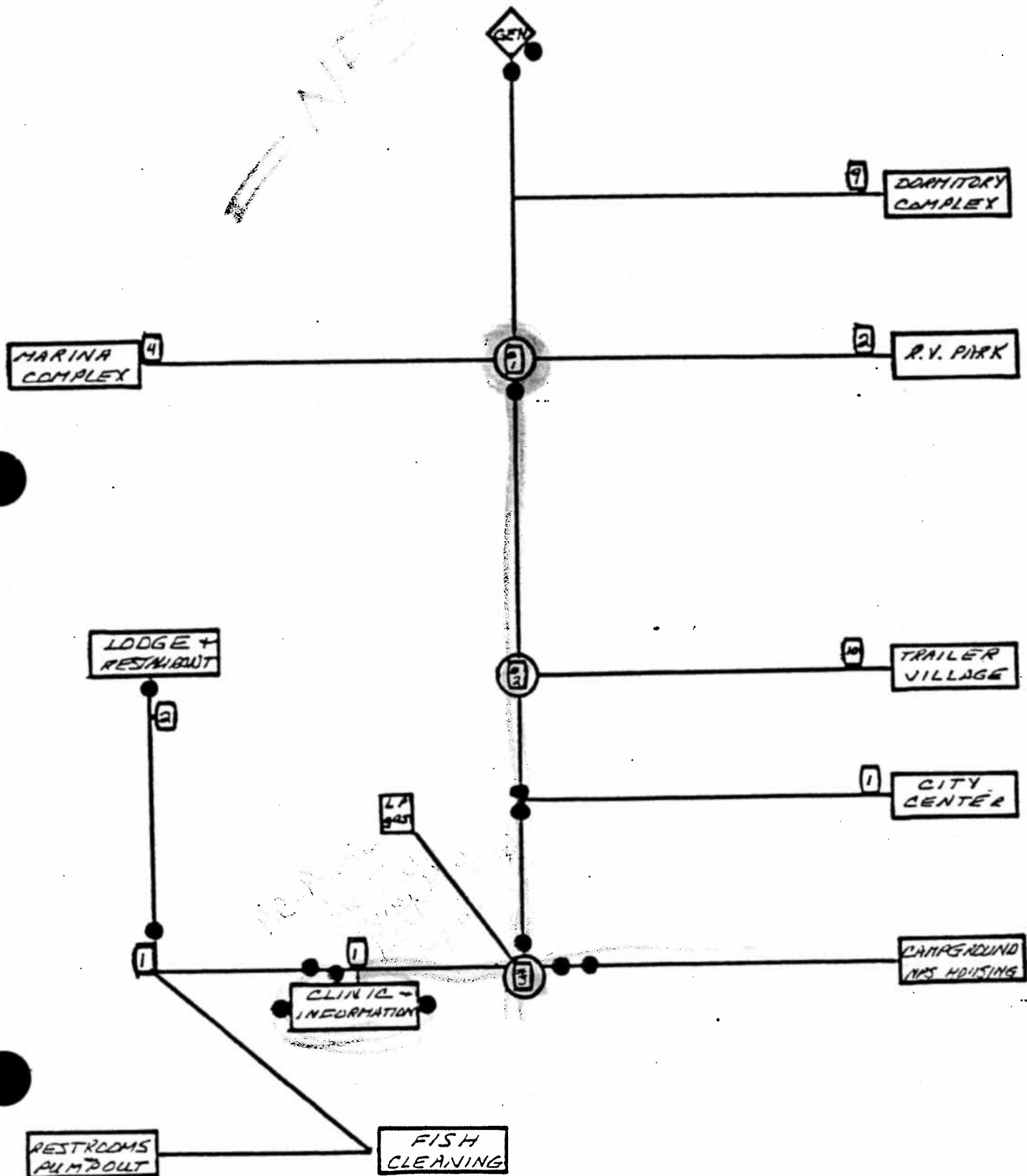


- ASSIGNED LAND
- ASSIGNED FOR LITTER PICKUP ONLY

DRAWING A
LAND ASSIGNMENT
BULLFROG RESORT
MARINA, INC.

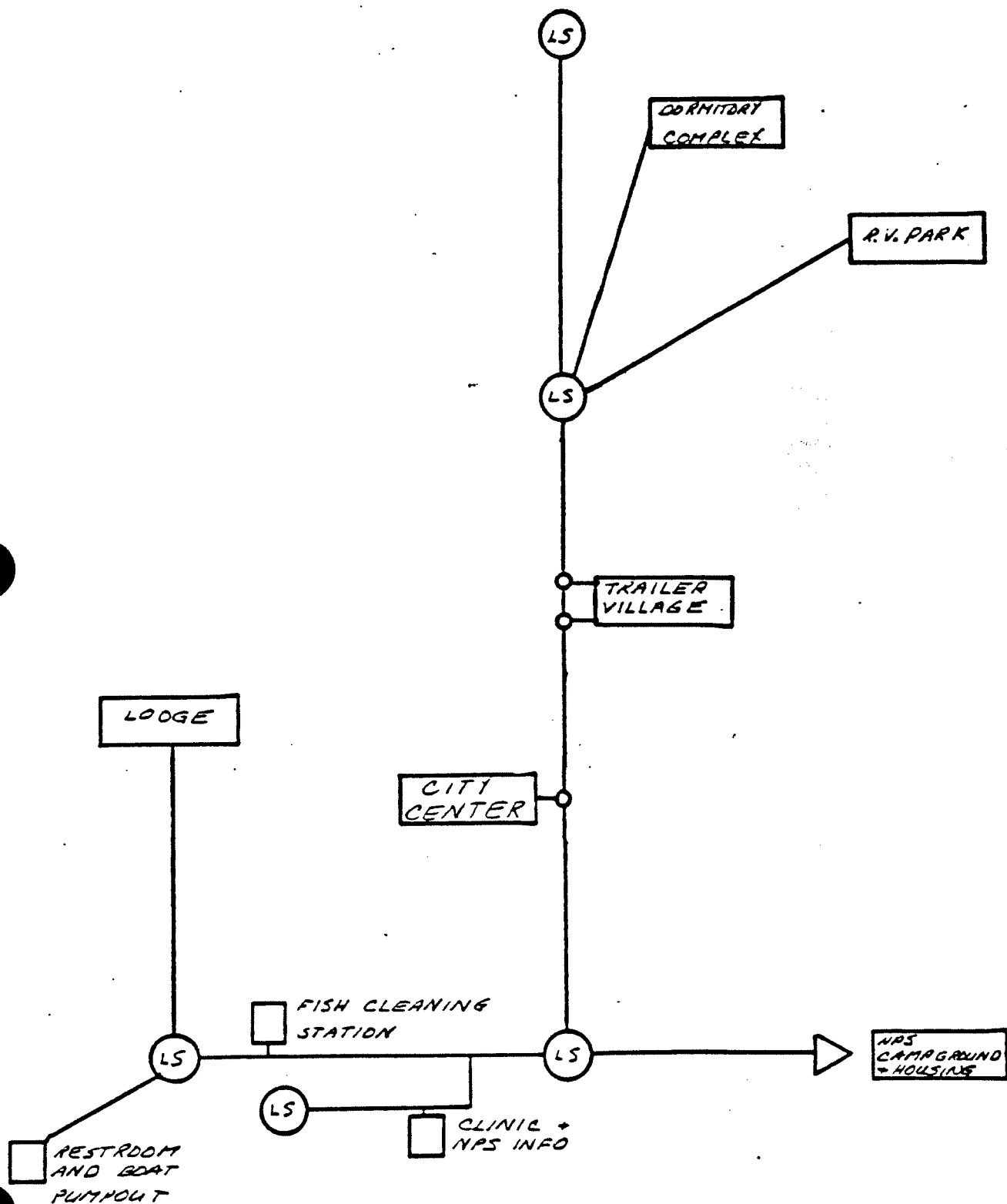
DRAWING 1A
ELECTRIC UTILITY
B. FROG RESORT &
MARINA, INC.

- ① - SWITCH GEAR & TRANSFORMER
- ⬠ - GENERATOR
- - METER
- ⬠ - TRANSFORMER
- ⋈ - JUNCTION BOX

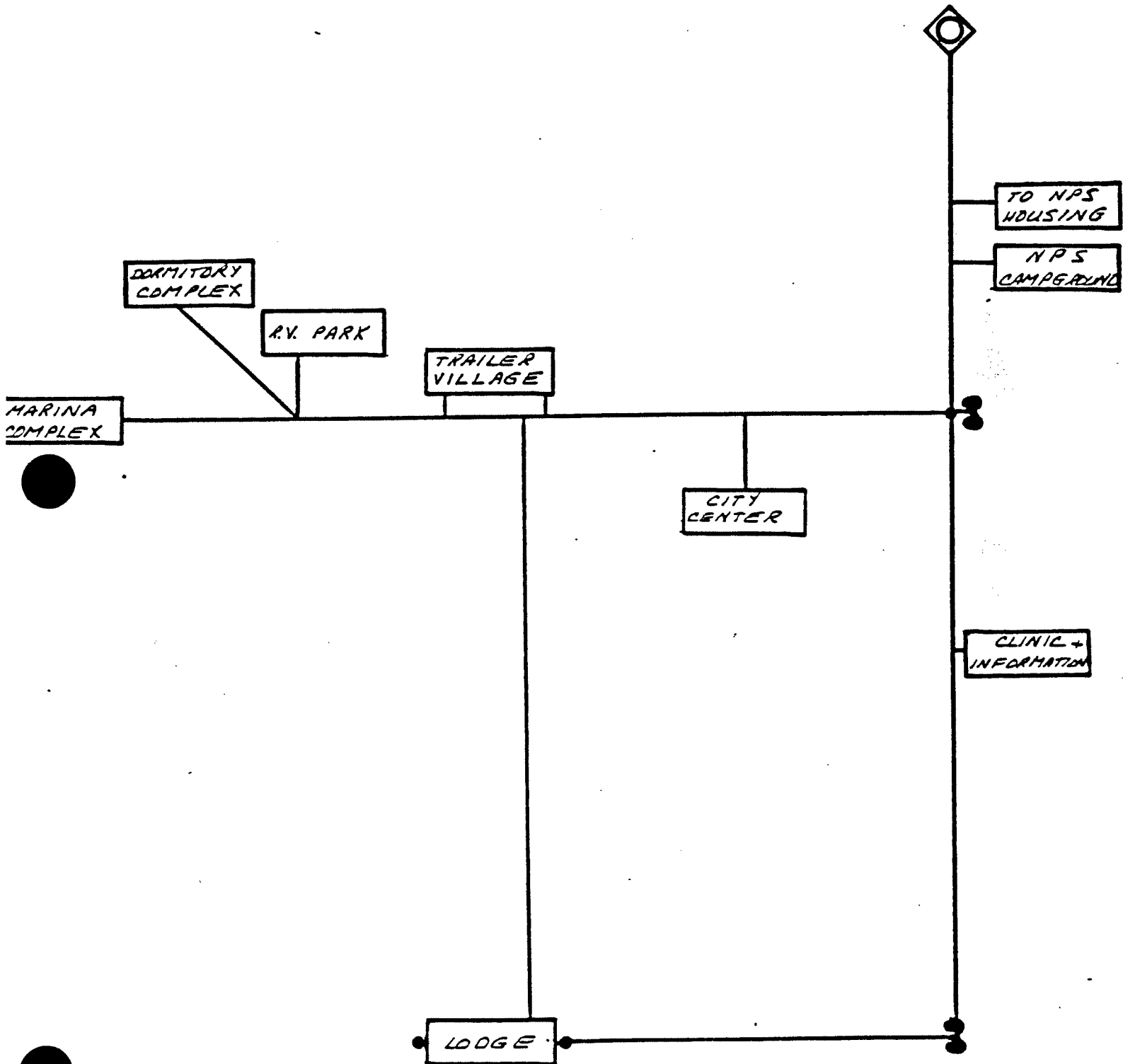
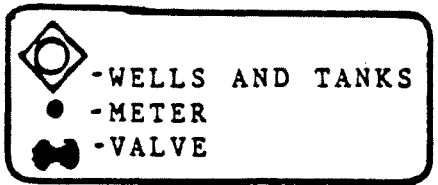


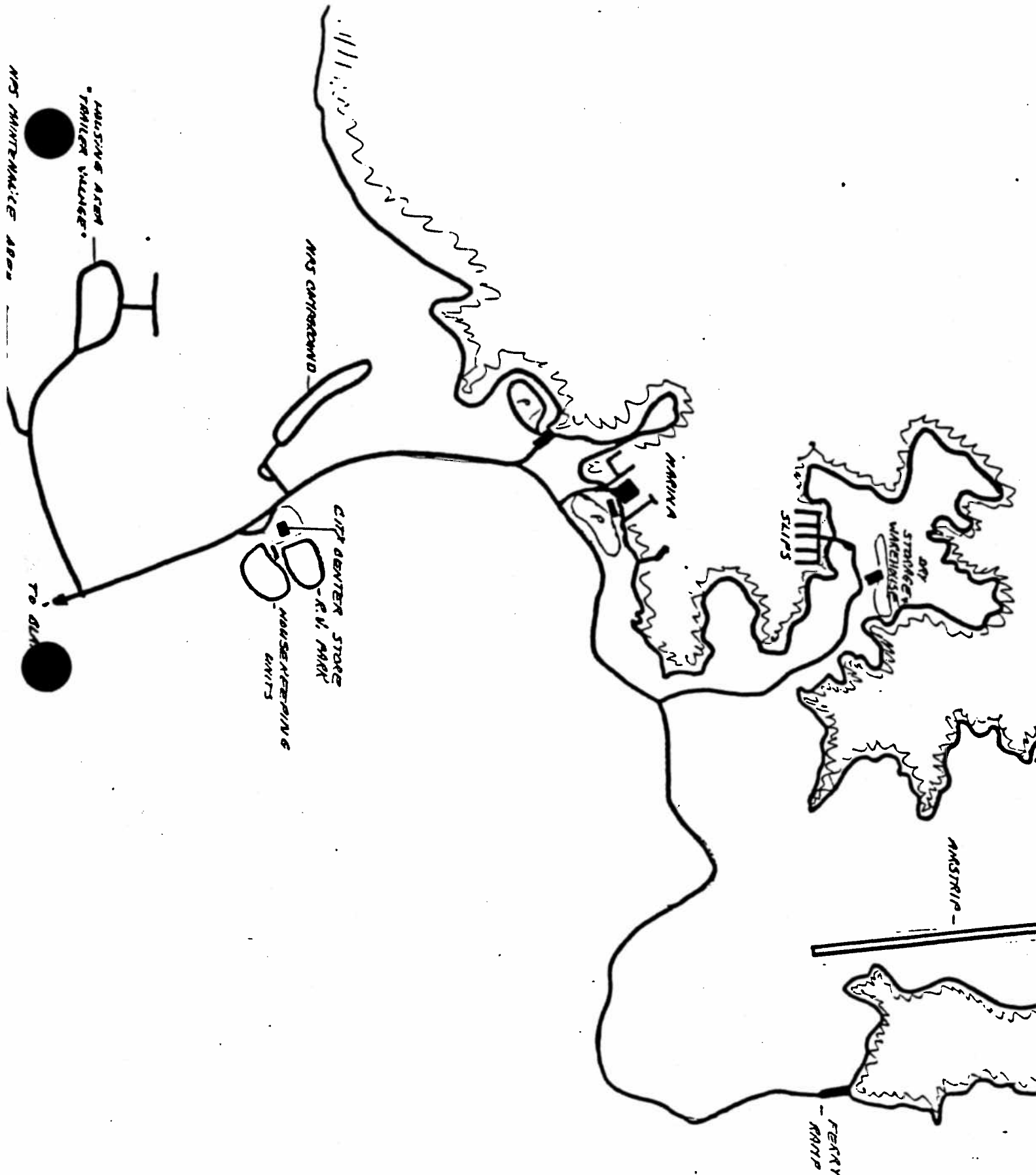
DRAWING 2A
SEWER UTILITY
BULLFROG RESORT &
MARINA, INC.

LS - LIFT STATION
○ - MANHOLE
— - SEWER LINE



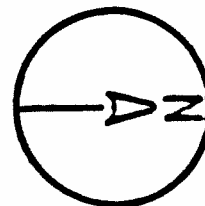
DRAWING 3A
WATER UTILITY
BULLFROG RESORT &
MARINA, INC.





ASSIGNED LAND
- ASSIGNED FOR LITTER
PICKUP ONLY

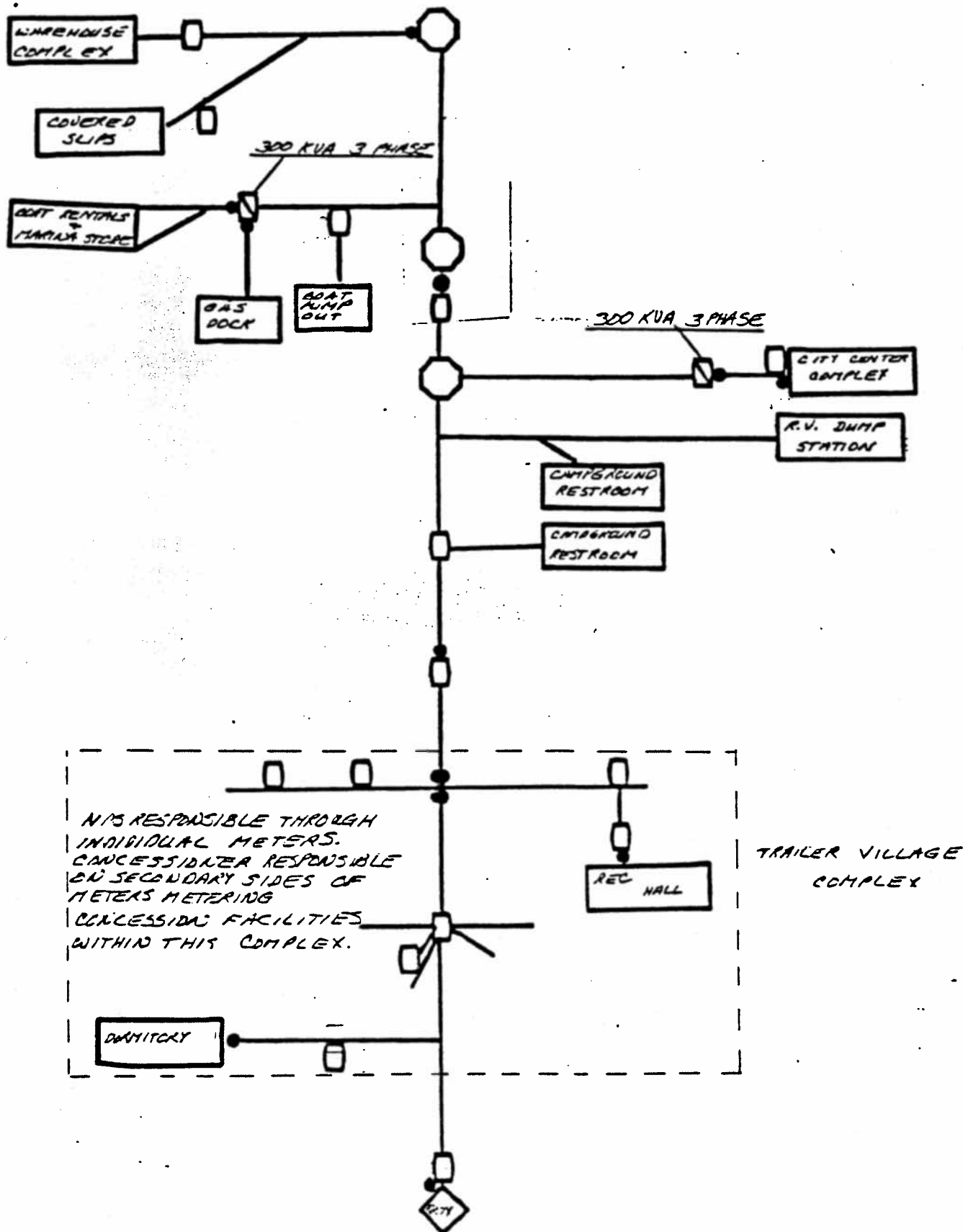
DRAWING B
LAND ASSIGNMENT
HALLS CROSSING RESORT &
MARINA, INC.



DRAWING 1B
ELECTRIC UTILITY
HALLS CROSSING RESORT &
MARINA, INC.

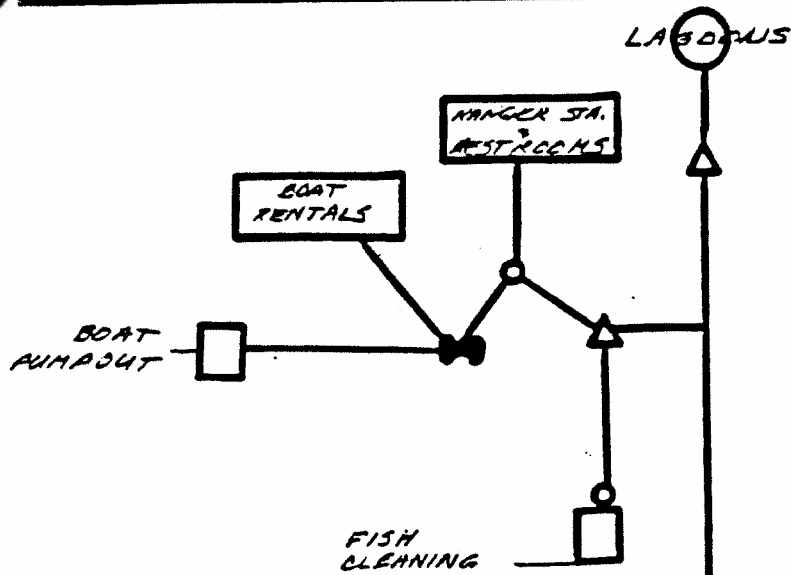


- GENERATOR
- TRANSFORMER
- JUNCTION BOX
- METER



DRAWING 2B
SEWER UTILITY
HALLS CROSSING RESORT &
MARINA, INC.

- △ - LIFT STATION
- - MANHOLE
- ⊕ - VALVE



CONCESSIONER RESPONSIBLE FOR SEWAGE SYSTEMS FROM THEIR FACILITIES TO THE MANHOLE ON THE MAIN LINE WITHIN THIS COMPLEX

CHAMPAGNE RESTROOMS

NPS W/USES

DORM

NPS

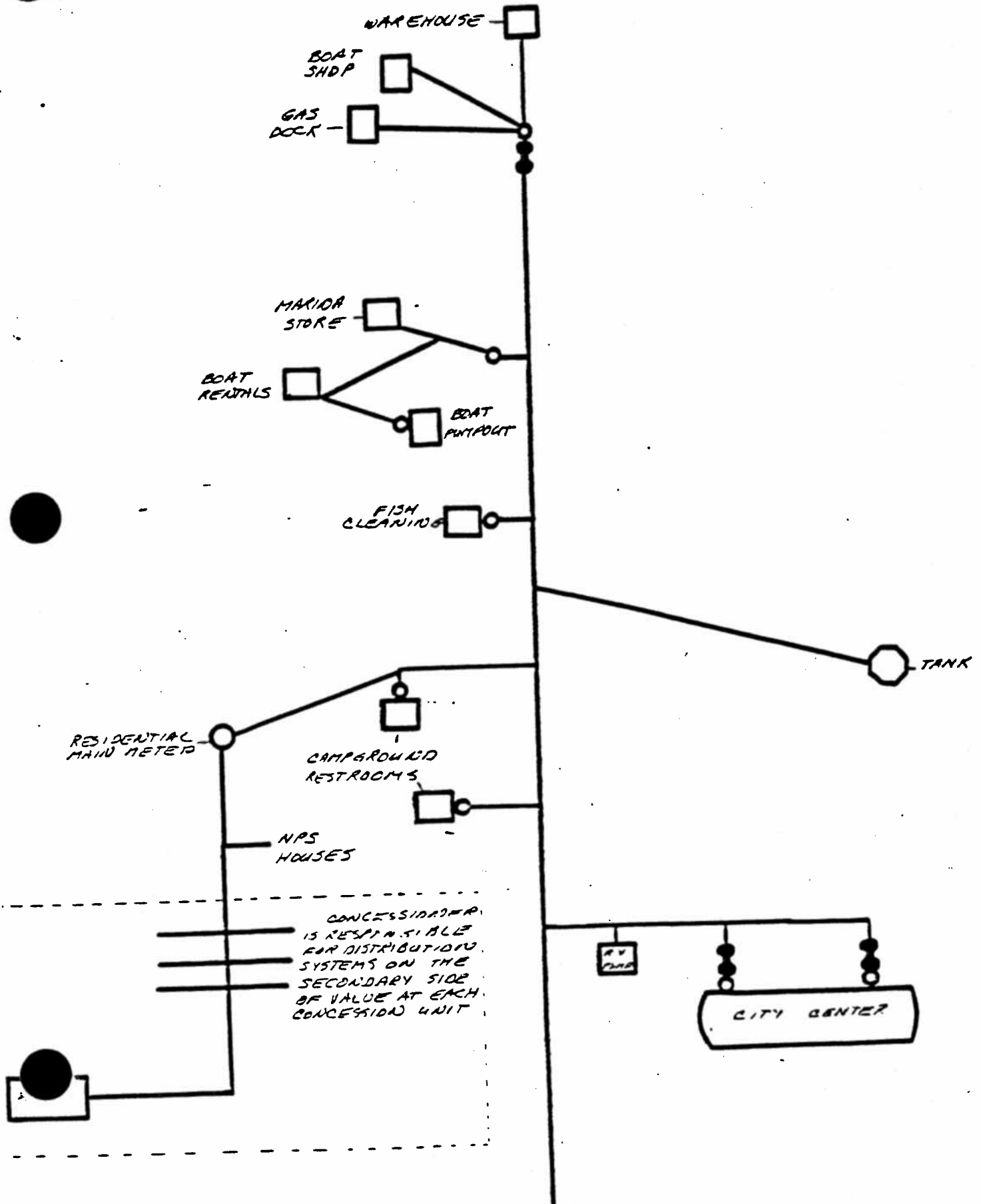
WIDE

EL

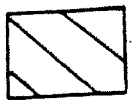
CITY CENTER COMPLEX

DRAWING 3B
WATER UTILITY
HALLS CROSSING RESORT &
MARINA, INC.

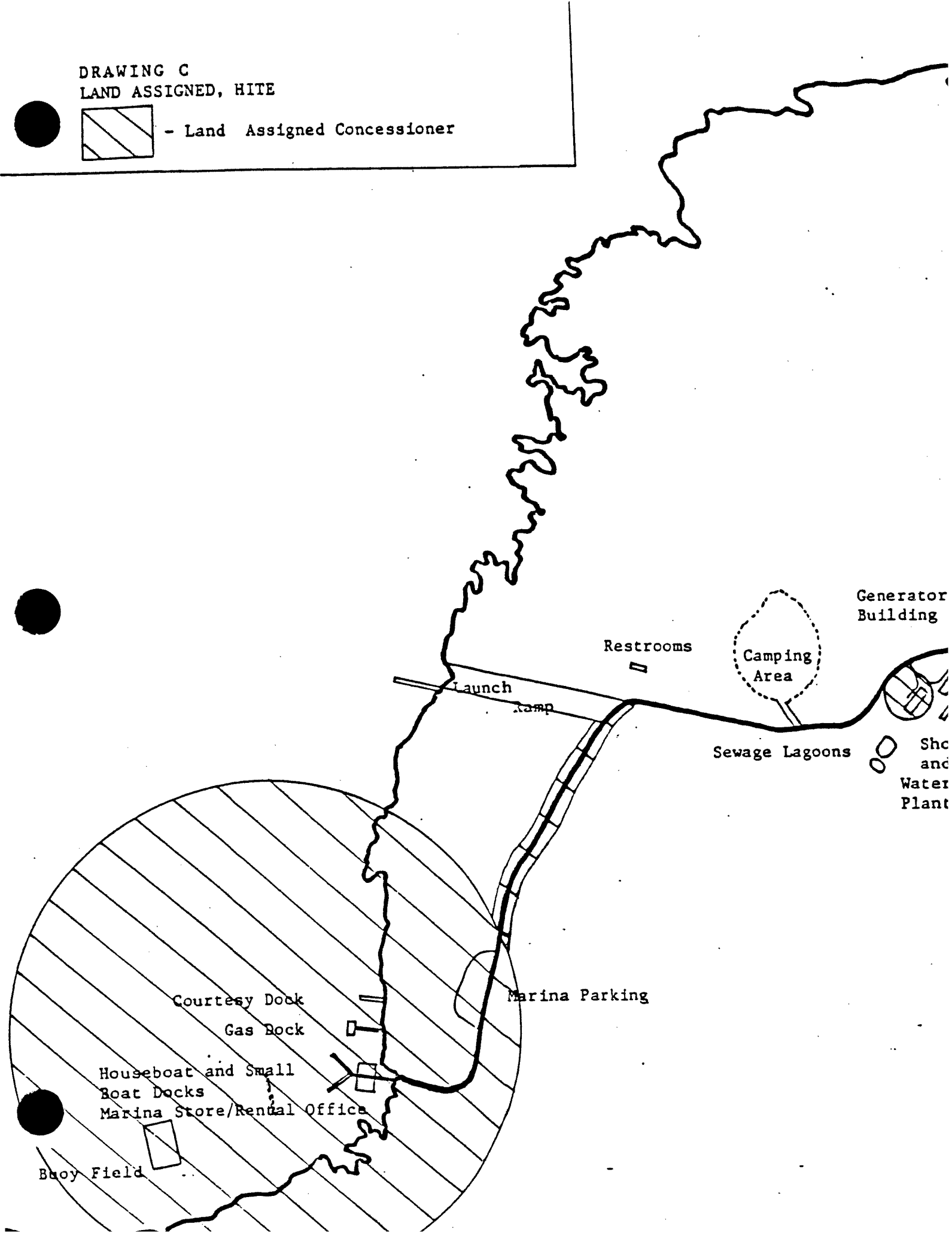
○ - METER
● - VALVE BOX

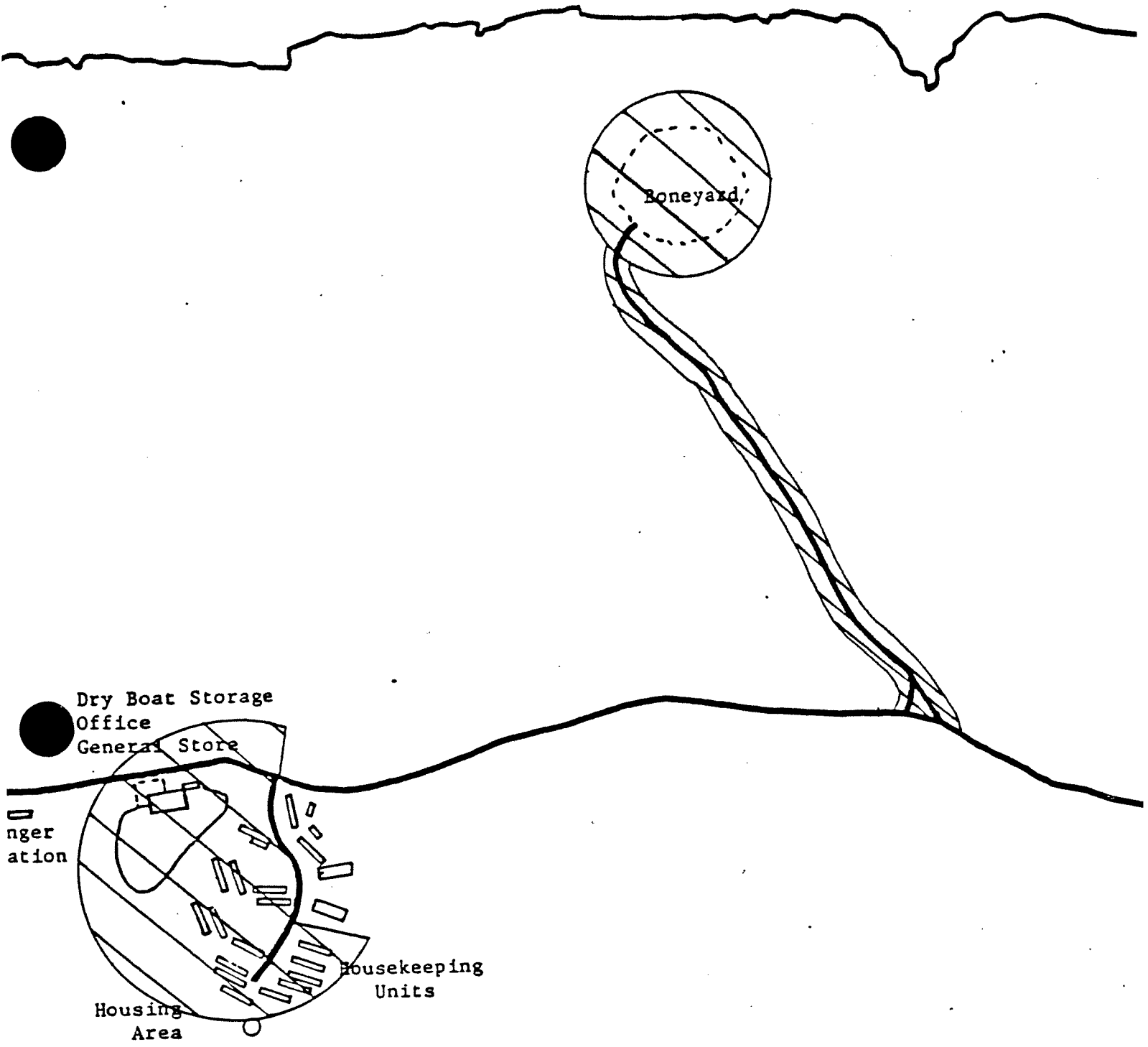


DRAWING C
LAND ASSIGNED, HITE






- Land Assigned Concessioner

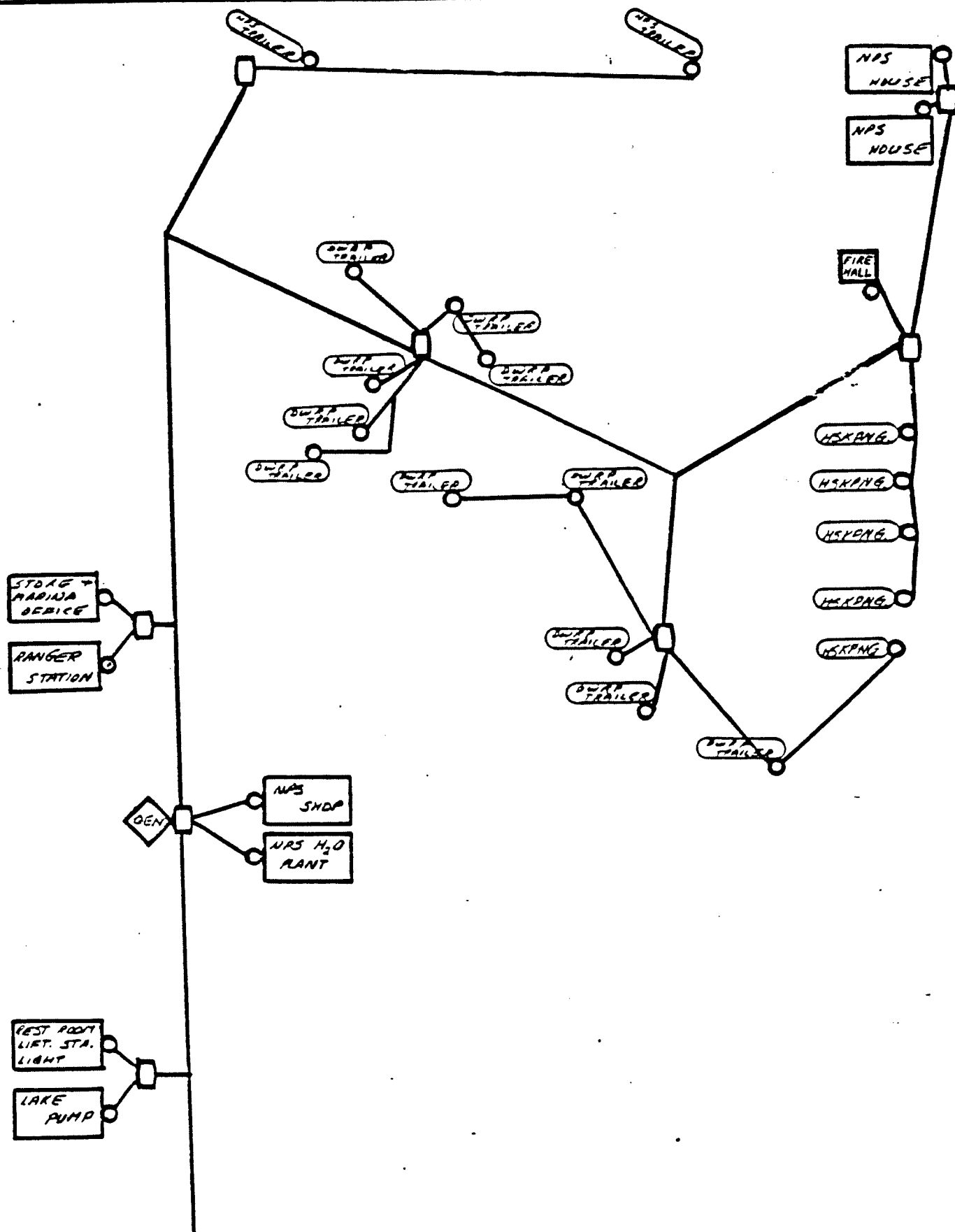




DRAWING C
LAND ASSIGNMENT
HITE MARINA, INC.

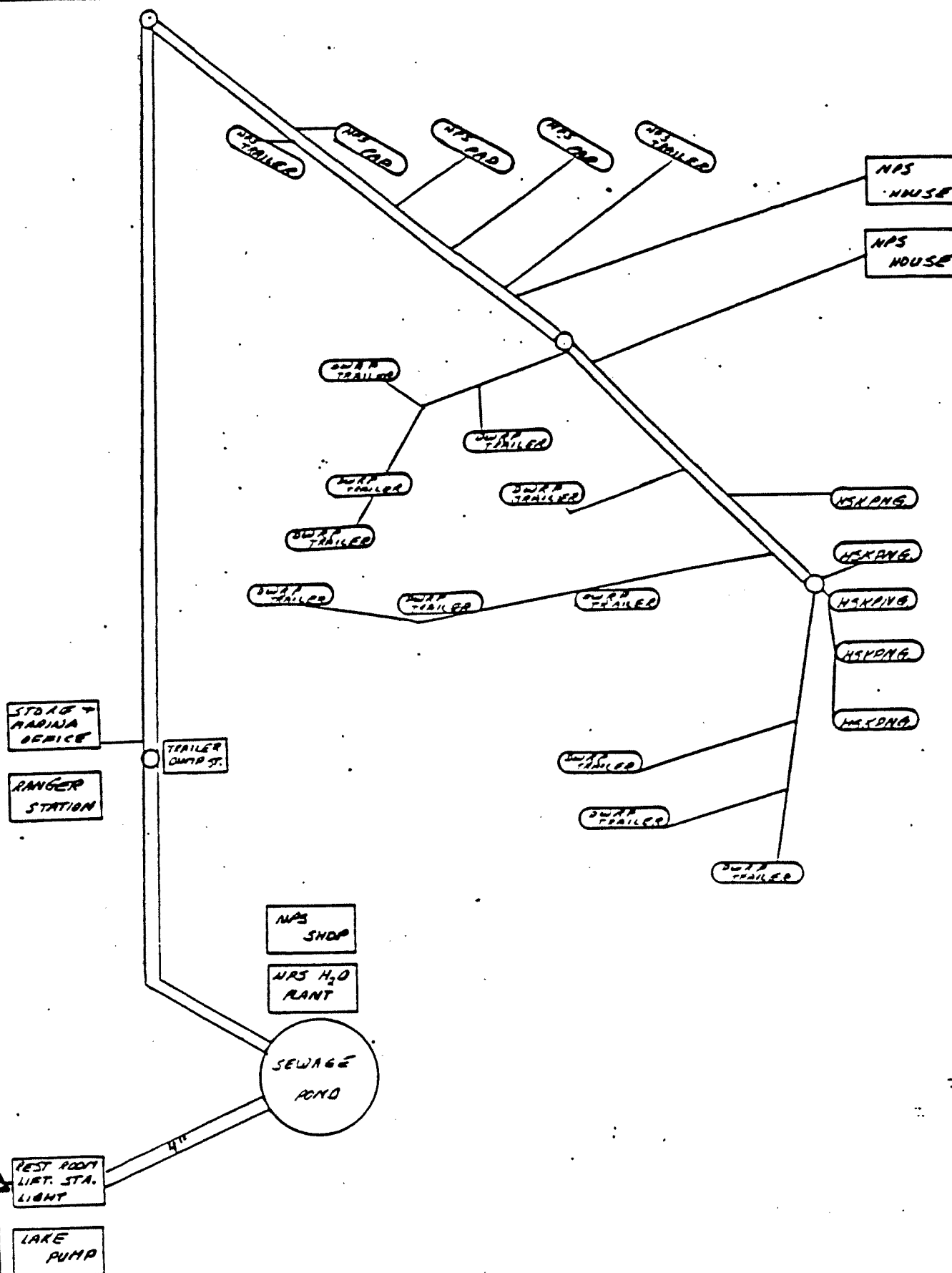
DRAWING 1C
ELECTRIC UTILITY
HITE

 -TRANSFORMER
 -METER
 -GENERATOR






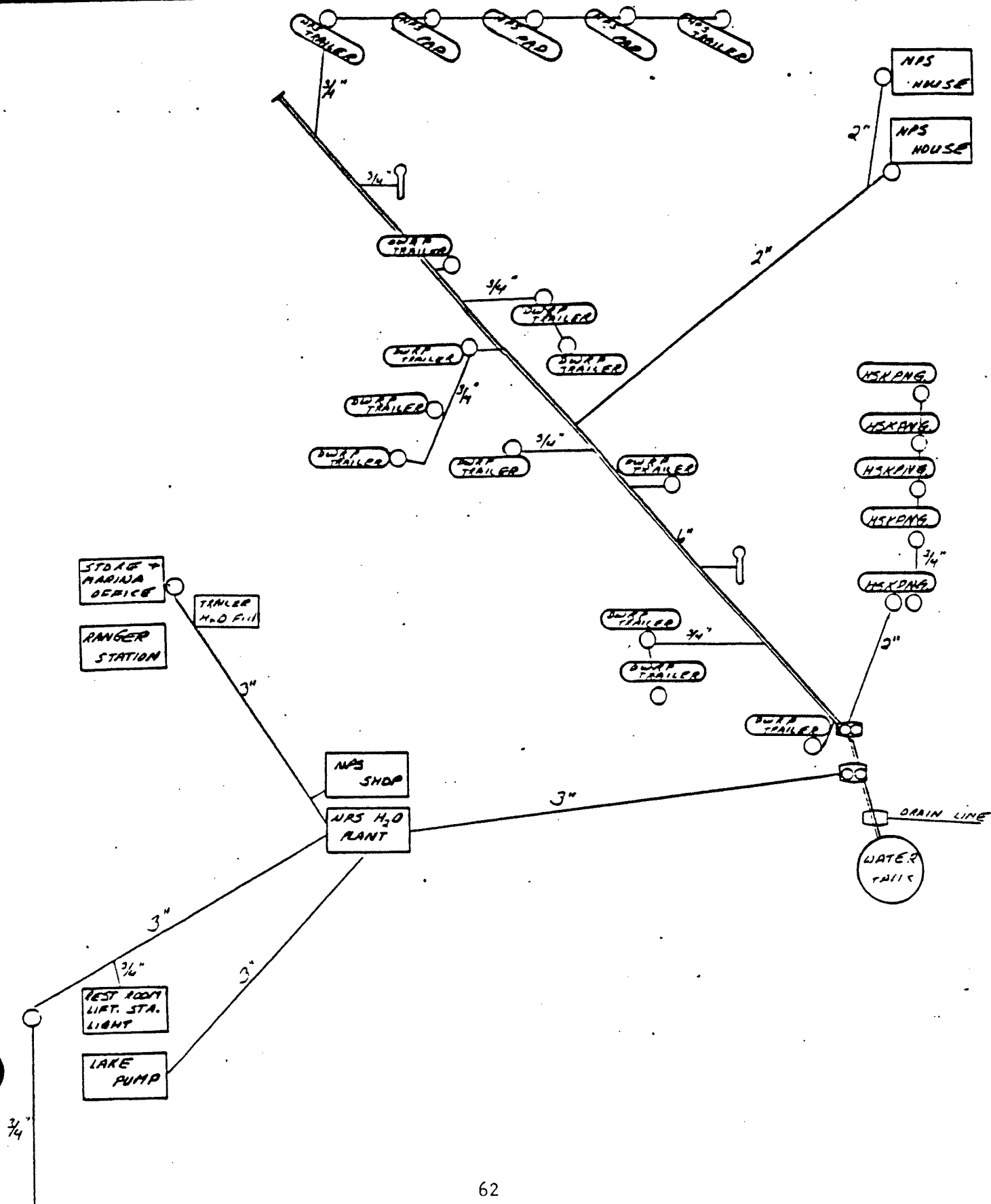
DRAWING 2C
SEWER UTILITY
HITE

- == - Sewer Main (6")
 — - Individual Tie-Ins
 ○ - Manhole



DRAWING 3C
WATER UTILITY
HITE

- ===== - 6" water main
- - feed lines, sizes as marked
-  - valve
-  - meter
-  - hydrant



Maintenance Agreement - Halls Crossing Vault Toilet
Attachment to Exhibit D - Land Assignment and Maintenance Agreement
Concession Contract Number GLCA005-88
Hall's Crossing Marina

This Agreement, entered into by and between the Secretary of the Interior through the Superintendent, Glen Canyon National Recreation Area, hereinafter referred to as the "Secretary", and Hall's Crossing Marina, hereinafter referred to as the "Concessioner", is for the purpose of defining the functions and responsibilities of each party in the maintenance and repair of the Halls Crossing Vault Toilet.

The Vault Toilet (portable) is constructed of fiberglass and will be located in the immediate vicinity of the concessioner's covered slips. The Secretary deems this improvement to be excess to the Government's needs.

Term: This Agreement shall become effective upon its date of execution and shall expire December 31, 1991; except that either party may terminate the agreement by providing sixty days written notice to the other, said notice being from the date of mailing.

OBLIGATIONS OF THE CONCESSIONER:

1. The Concessioner shall provide installation, maintenance, and repairs necessary to keep the Vault Toilet operating in a safe condition.
2. The Concessioner shall provide toilet paper, deodorizers, disinfectant, and other supplies for the assigned Vault Toilet.
3. The Concessioner shall provide all cleaning and housekeeping of the Vault Toilet.
4. The Concessioner shall be responsible for relocating of the Vault Toilet from time to time due to changes in lake elevation, shifts in marina location, etc.

OBLIGATIONS OF THE SECRETARY

1. The Vault Toilet is excess to the needs of the Government. The Secretary will provide for the removal of human waste.
2. In consideration of the maintenance expenses incurred by the Concessioner, the Secretary agrees that no use fees will be assessed for the use of this Government Improvement pursuant to subsection 10(a)(1) of this contract.

3. Upon termination and non-renewal of this Agreement by the Secretary or the Concessioner, the Concessioner agrees to remove and clean the Vault Toilet at his expense.

HALL'S CROSSING MARINA

By:

Title:

Date:

[Signature]

U.P. & AREA M676

2/11/89

GLEN CANYON NATIONAL RECREATION AREA

By:

Superintendent

Date:

[Signature]

7/22/89